

JOURNAL OF THE SENATE



SENATE OF VIRGINIA 2004 SPECIAL SESSION I

NUMERICAL INDEX--Bills, Resolutions and Documents showing legislative history.

SUBJECT INDEX--Titles of Bills, Resolutions and Documents listed alphabetically under headings of subject matter; all other business transacted by the Senate listed by subject or individual names.

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2004 SPECIAL SESSION II

NUMERICAL INDEX--Bills, Resolutions and Documents showing legislative history.

SUBJECT INDEX--Titles of Bills, Resolutions and Documents listed alphabetically under headings of subject matter; all other business transacted by the Senate listed by subject or individual names.

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**JOURNAL
OF
THE
SENATE**

2004 SPECIAL SESSION I

WEDNESDAY, MARCH 17, 2004

The Senate met at 12 m. and was called to order by Lieutenant Governor Timothy M. Kaine.

The Reverend Benjamin P. Campbell, Richmond Hill, Richmond, Virginia, offered the following prayer:

Great and generous Lord God, You awakened in our forefathers and mothers in this very place a vision for self-government. You gave us the right to govern ourselves, and told us we had the ability to do it.

We come to You now praying for Your blessing. We are humbled by our experience this year. Help us, we beseech You, with power which belongs to You to find our way to constructive action for the sake of Your people and this Commonwealth.

We have enjoyed the privilege of self-government; help us to sustain responsibility.

We have been proud at our accomplishments; help us to find humility.

We have been strong in our competition; help us to sustain cooperation.

We have been powerful in our politics; help us to attain stewardship.

We have all experienced frustration; help us hold fast to hope.

We have all been affected by those who have power; help us to reverence those who are powerless.

We pray today, Lord, not only for the members of this Senate and the General Assembly, not only for the Governor, Lieutenant Governor, and other constitutional officers, but also for the lobbyists, the media, and the voters and citizens of this Commonwealth. Give to them, and to all of us, the desire for good government and responsible decision-making. Give our legislators a constituency zealous for constructive, responsible government.

The strength and wisdom which we need, Lord, is beyond us. Help us all to reach for it. Bless these legislators here today; bless the members of the other house; bless the Governor; and bless the people of this beloved Commonwealth of Virginia.

The roll was called and the following Senators answered to their names:

Bell, Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Edwards, Hanger, Hawkins, Houck, Howell, Locke, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Wagner, Wampler, Watkins, Whipple.

A quorum was present.

After the roll call, Senator Obenshain notified the Clerk of his presence.

COMMUNICATION

The following communication was received and read:

COMMONWEALTH OF VIRGINIA

Office of the Governor

PROCLAMATION

In accordance with the provisions of Article IV, Section 6 and Article V, Section 5 of the Constitution of Virginia and the powers it vests in the Governor to call a Special Session of the General Assembly;

I, Mark R. Warner, Governor of Virginia, do hereby summon the members of the Senate and House of Delegates, constituting the General Assembly of Virginia, to meet in special session in their respective chambers in the Capitol at Richmond, at 12:00 noon on Wednesday, the seventeenth day of March, 2004, for the purpose of considering legislation to appropriate the public revenue for the 2004-2006 biennium and to reform the tax code and provide revenue for appropriation.

Given under my hand and under the lesser seal of the Commonwealth, at Richmond, this 16th day of March, two thousand four and the two hundred and twenty-eighth year of the Commonwealth.

/s/ Mark R. Warner
Governor of Virginia

By the Governor

/s/ Anita A. Rimler
Secretary of the Commonwealth

RULES OF THE SENATE

The President announced that the Senate was operating under the Rules of the Senate as adopted at the 2004 Session, which state, "The Rules of the Senate shall be adopted at the commencement of the first regular session of the General Assembly after the election of the Senate, and shall be in force for the succeeding four years unless amended or suspended as provided by these Rules."

Senator Norment was ordered to inform the House of Delegates that the Senate was duly organized and ready to proceed with business.

A message was received from the House of Delegates by Delegate Griffith, who informed the Senate that the House was duly organized and ready to proceed to business.

INTRODUCTION OF LEGISLATION

The following was prefiled on the date indicated, ordered to be printed, and referred pursuant to § 30-19.3 of the Code of Virginia:

S.B. 5001. A Bill for all proposed appropriations of the Budget submitted by the Governor of Virginia in accordance with the provisions of § 2.2-1509, Code of Virginia, to provide a portion of revenues for the two years ending respectively on the thirtieth day of June, 2005, and the thirtieth day of June, 2006, and to amend and reenact §§ 58.1-302, 58.1-320, 58.1-321, 58.1-322, 58.1-391, 58.1-392, 58.1-441, 58.1-603, 58.1-604, 58.1-604.1, 58.1-611.1, 58.1-614, 58.1-615, 58.1-627, 58.1-628, 58.1-639, 58.1-901, 58.1-902, 58.1-1001, 58.1-3524, 58.1-3526, 58.1-3528, 58.1-3531, 58.1-3830, 58.1-3840 and 58.1-3912 of the Code of Virginia, to amend the Code of Virginia by adding in Title 32.1 a chapter numbered 15, consisting of sections numbered 32.1-366 through 32.1-367, to amend the Code of Virginia by adding §§ 58.1-390.1, 58.1-390.2, 58.1-393.1, 58.1-394.2 and 58.1-395, and repealing §§ 58.1-390, 58.1-394, and 58.1-3831 of the Code of Virginia and repealing Chapter 289 of the 1989 Acts of Assembly.

(Prefiled March 17, 2004)

Patron--Chichester

Referred to Committee on Finance

**MESSAGE FROM THE HOUSE
IMMEDIATE CONSIDERATION**

A message was received from the House of Delegates by Delegate Griffith, who informed the Senate that the House had agreed to **H.J.R. 5001** (five thousand one), as follows; in which it requested the concurrence of the Senate:

HOUSE JOINT RESOLUTION NO. 5001

Notifying the Governor of Organization.

RESOLVED by the House of Delegates, the Senate concurring, That a committee be appointed, composed of six on the part of the House of Delegates and four on the part of the Senate, to notify the Governor that the General Assembly is duly organized in Special Session I and ready to receive any communication he may desire to make.

H.J.R. 5001, being of a purely procedural nature, was taken up for immediate consideration and agreed to.

Senator Norment was ordered to inform the House of Delegates thereof.

The President appointed Senators Stolle, Bell, Obenshain, and Locke, the committee on the part of the Senate to inform the Governor that the General Assembly was duly organized and ready to receive any communication he may desire to make.

Senator Stolle, from the committee to inform the Governor that the General Assembly was duly organized and ready to receive any communication he may desire to make, reported that the committee had performed that duty.

At 1:10 p.m., Senator Norment moved that the Senate recess until 2:05 p.m.

The motion was agreed to.

The hour of 2:05 p.m. having arrived, the Chair was resumed.

**MESSAGE FROM THE HOUSE
IMMEDIATE CONSIDERATION**

A message was received from the House of Delegates by Delegate Griffith, who informed the Senate that the House had agreed to **H.J.R. 5002** (five thousand two); in which it requested the concurrence of the Senate:

H.J.R. 5002. Limiting legislation to be considered by the 2004 Special Session I of the General Assembly.

H.J.R. 5002 was taken up, read by title the first time, and referred to the Committee on Rules.

Senator Norment moved that the Rules be suspended, the Committee on Rules be discharged from further consideration of **H.J.R. 5002** (five thousand two), the readings of the title be waived, and the joint resolution be taken up for immediate consideration.

The motion was agreed to.

The recorded vote is as follows:

YEAS--35. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Bolling, Chichester, Colgan, Deeds, Edwards, Hanger, Hawkins, Houck, Howell, Locke, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Wagner, Wampler, Watkins, Whipple--35.

NAYS--0.

RULE 36--0.

HOUSE JOINT RESOLUTION NO. 5002

Limiting legislation to be considered by the 2004 Special Session I of the General Assembly.

RESOLVED by the House of Delegates, the Senate concurring, That during the 2004 Special Session I, summoned by proclamation of the Governor on March 16, 2004, to begin noon, Wednesday, March 17, 2004, no bill or joint resolution other than one introduced with unanimous consent in the house of origin shall be considered except (i) Budget Bill(s) and revenue bills; (ii) joint resolutions affecting the rules of procedure or schedule of business of the General Assembly, either of its houses, or any of its committees; (iii) joint resolutions regarding the election of judges; (iv) commending and memorial resolutions; or (v) joint resolutions confirming appointments subject to the confirmation of the General Assembly.

RESOLVED FURTHER, That no engrossment of the Budget Bill(s) shall be required in either house, and any conference on the Budget Bill(s) shall consider, as the basis of its deliberations, the Budget Bill(s) as recommended by the Governor and introduced in the House and the amendments thereto proposed by each house; and be it

RESOLVED FINALLY, That for purposes of this resolution:

“Budget Bill” means the general appropriation bill introduced in each house that authorizes the biennial expenditure of public revenues for the period from July 1, 2002, through June 30, 2004, or July 1, 2004, through June 30, 2006.

Senator Norment propounded a further parliamentary inquiry as to whether Article IV, Section 6 of the Constitution of Virginia, which states, "Neither house shall, without the consent of the other, adjourn to another place, nor for more than three days," applies to the special session.

The Chair stated that Article IV, Section 6 of the Constitution of Virginia was clearly applicable to a special session.

On motion of Senator Norment, amendment No. 2 was agreed to.

The amendments were ordered to be engrossed.

H.J.R. 5002, on motion of Senator Norment, was agreed to.

The recorded vote is as follows:

YEAS--36. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Edwards, Hanger, Hawkins, Houck, Howell, Locke, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Wagner, Wampler, Watkins, Whipple--36.

NAYS--0.

RULE 36--0.

Senator Norment was ordered to inform the House of Delegates thereof.

INTRODUCTION OF LEGISLATION

The following, by leave, were presented and laid on the Clerk's Desk under Senate Rule 26 (g):

S.J.R. 5001. Commending the Altavista High School boys' basketball team.

Patrons--Hawkins and Newman; Delegate: Byron

S.J.R. 5002. Commending the Altavista High School girls' basketball team.

Patrons--Hawkins and Newman; Delegate: Byron

At 2:35 p.m., Senator Norment moved that the Senate recess until 3:55 p.m.

The motion was agreed to.

The hour of 3:55 p.m. having arrived, the Chair was resumed.

MESSAGE FROM THE HOUSE

A message was received from the House of Delegates by Delegate Griffith, who informed the Senate that the House had rejected amendment No. 1 and agreed to amendment No. 2 proposed by the Senate to **H.J.R. 5002** (five thousand two).

On motion of Senator Norment, the reading of the message was waived.

The recorded vote is as follows:

YEAS--36. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Edwards, Hanger, Hawkins, Houck, Howell, Locke, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Wagner, Wampler, Watkins, Whipple--36.

NAYS--0.

RULE 36--0.

INTRODUCTION OF LEGISLATION

The following, by leave, was presented, ordered to be printed and referred under Senate Rule 11 (b):

S.B. 5002. A BILL to amend and reenact § 24.2-940 of the Code of Virginia, relating to campaign fundraising during legislative sessions.

Patrons--Saslaw, Bell, Edwards, Hanger, Hawkins, Houck, Howell, Lucas, Marsh, Miller, Mims, Potts, Puller, Quayle, Rerras, Wagner, Watkins and Whipple

Referred to Committee on Privileges and Elections

COMMITTEE REPORT

The following bill, having been considered by the committee in session, was reported by Senator Chichester from the Committee on Finance:

S.B. 5001 (five thousand one) with amendments.

CALENDAR

SENATE BILL ON FIRST READING

S.B. 5001 (five thousand one) was read by title the first time.

Senator Chichester moved that the Rules be suspended and the second reading of the title of **S.B. 5001** as required by Article IV, Section 11, of the Constitution, be dispensed with.

The motion was agreed to.

The recorded vote is as follows:

YEAS--35. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Edwards, Hanger, Hawkins, Houck, Howell, Locke, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Saslaw, Stolle, Stosch, Wagner, Wampler, Watkins, Whipple--35.

NAYS--0.

RULE 36--0.

The following amendments proposed by the Committee on Finance were offered:

- Revenues Item 0 #2s
- Revenues Language

Language:

Item 0, strike lines 3 through 10, and insert:

“A BILL to appropriate the public revenue for the two years ending respectively on the thirtieth day of June 2005, and the thirtieth day of June 2006, to provide a portion of such revenues, and to amend and re-enact §§ 10.1-1020, 10.1-2128, 10.1-2133, 58.1-302, 58.1-320, 58.1-321, 58.1-322, 58.1-324, 58.1-339.8, 58.1-341, 58.1-391, 58.1-392, 58.1-402, 58.1-415, 58.1-441, 58.1-520, 58.1-603, 58.1-604, 58.1-604.1, 58.1-608.3, 58.1-609.3, 58.1-611.1, 58.1-614, 58.1-615, 58.1-627, 58.1-628, 58.1-638, 58.1-639, 58.1-801, 58.1-803, 58.1-807, 58.1-808, 58.1-815, 58.1-816,

58.1-901, 58.1-902, 58.1-1001, 58.1-1009, 58.1-1018, 58.1-2402, 58.1-2425, and 58.1-3833 of the Code of Virginia, to amend the Code of Virginia by adding in Title 10.1 a chapter numbered 21.2 consisting of a section numbered 10.1-2135, by adding in Title 32.1 a chapter numbered 15 consisting of sections numbered 32.1-366 and 32.1-367, by adding sections numbered 58.1-390.1, 58.1-390.2, and 58.1-393.1, by adding in Article 9 of Chapter 3 of Title 58.1 sections numbered 58.1-394.1, 58.1-394.2, and 58.1-395, and by adding in Chapter 10 of Title 58.1 an article numbered 2.1 consisting of sections numbered 58.1-1021.01 through 58.1-1021.05.”

Revenues Item 0 #3s
 Revenues Language

Language:

Page 1, strike lines 28 through 34 and insert:

	First Year	Second Year	Total
Unreserved Balance, June 30, 2004	\$232,861,556	\$0	\$232,861,556
Additions to Balance	(\$500,000)	(\$500,000)	(\$1,000,000)
Official Revenue Estimates	\$13,034,257,782	\$13,766,304,591	\$26,800,562,373
Lottery Proceeds Fund	\$395,000,000	\$402,000,000	\$797,000,000
Transfers	\$93,866,289	\$94,910,681	\$188,776,970
Total General Fund Resources Available for Appropriation	\$13,755,485,627	\$14,262,715,272	\$28,018,200,899

Page 1, strike lines 37 through 42 and insert:

	First Year	Second Year	Total
Balance, June 30, 2004	\$1,854,347,481	\$0	\$1,854,347,481
Official Revenue Estimates	\$15,206,181,319	\$16,062,482,245	\$31,268,663,564
Bond Proceeds	\$984,242,290	\$111,663,475	\$1,095,905,765
Total Nongeneral Fund Revenue Available for Appropriation	\$18,044,771,090	\$16,174,145,720	\$34,218,916,810
TOTAL PROJECTED REVENUE	\$31,800,256,717	\$30,436,860,992	\$62,237,117,709

Legislative Department Item 2 #1s
 Auditor Of Public Accounts Language

Language:

Page 8, following line 13, insert:

“The Auditor of Public Accounts shall review the operations of the State Comptroller as they relate to the Commonwealth's financial accounting and control operations. The Secretary of Finance, State Comptroller, State Treasurer, Director of Planning and Budget and the Chief Information Officer will all provide any assistance and cooperation necessary for the Auditor to conduct this review. In conducting the review, the Auditor shall determine the factors that have led to the current structure of the Commonwealth's financial accounting and control operations, the Comptroller's responsibility for financial and internal controls, the impact of decentralization on the financial structure and

internal controls, and whether the Commonwealth has a modern financial system and structure. Additionally, Auditor of Public Accounts shall provide the Chairmen of the Senate Finance Committee, the House Appropriations Committee and the House Finance Committee an assessment of information available to them, and how any changes in the Commonwealth's financial accounting and control operations could enhance their oversight and what resources would be necessary to accomplish this function. The Auditor shall submit a planning document to the Chairmen of Senate Finance and House Appropriations and Finance Committees outlining the scope of this review by July 15, 2004. A preliminary report of initial findings, recommendations and issues shall be available to the Governor and the General Assembly by December 1, 2004, and a final report by November 15, 2005 with recommendations for proposed budgetary and statutory changes.”

Legislative Department	Item 2 #2s
Auditor Of Public Accounts	
	Language

Language:

Page 8, following line 13, insert:

“The Auditor of Public Accounts shall conduct an audit to determine the amount of deferred maintenance costs in the Commonwealth in accordance with Item C-194.20 of this Act. The Auditor shall use the funding provided in Item C-194.20 of this Act to assist agencies and institutions to acquire the software and training necessary to accumulate the information to perform the audit.”

Legislative Department			Item 10 #1s
Dr. Martin Luther King, Jr. Memorial	FY 04-05	FY 05-06	
Commission	\$10,000	\$10,000	GF

Language:

Page 10, line 26, strike “\$40,000” and insert “\$50,000”.

Page 10, line 26, strike “\$40,000” and insert “\$50,000”.

Legislative Department	Item 11 #1s
Joint Commission On Health Care	
	Language

Language:

Page 10, after line 37, insert:

“The Joint Commission on Health Care should support the continuation of state funding of local initiatives to address the needs of adults and juveniles with mental health, mental retardation, or co-occurring disorders who come into contact with the criminal justice system.”

Legislative Department			Item 13 #1s
Commissioners For Promotion Of	FY 04-05	FY 05-06	
Uniformity Of Legislation	\$21,000	\$23,000	GF

Language:

Page 11, line 16, strike “\$39,500” and insert “\$60,500”.

Page 11, line 16, strike “\$39,500” and insert “\$62,500”.

Legislative Department			Item 18 #1s
Virginia Crime Commission	FY 04-05	FY 05-06	
	\$88,772	\$88,772	GF

Language:

Page 12, line 22, strike "\$500,436" and insert "\$589,208".
 Page 12, line 22, strike "\$500,436" and insert "\$589,208".

Legislative Department			Item 18 #2s
Virginia Crime Commission			
			Language

Language:

Page 12, line 27, insert:
 "The Virginia Crime Commission shall examine the statutory basis for computer crimes in the Code of Virginia, including a determination of the appropriate definitions and elements constituting offenses in this area."

Legislative Department			Item 23 #1s
Legislative Department Reversion	FY 04-05	FY 05-06	
Clearing Account	(\$300,000)	(\$300,000)	GF

Language:

Page 14, line 38, strike "\$547,000" and insert "\$847,000".
 Page 14, line 38, strike "\$547,000" and insert "\$847,000".

Judicial Department			Item 26 #1s
Supreme Court			
			Language

Language:

Page 17, lines 11-13, strike "in lieu of travel and all other expenses incurred incident to the conduct of the business of the Court, except lodging expenses incurred while conducting the business of the Court," and insert "for expenses not otherwise reimbursed,".

Judicial Department			Item 31 #1s
Court Of Appeals Of Virginia			
			Language

Language:

Page 18, lines 29-32, strike "in lieu of travel and all other expenses incurred incident to the conduct of the business of the Court, except lodging expenses incurred while conducting the business of the Court," and insert "for expenses not otherwise reimbursed,".

Judicial Department			Item 32 #2s
Circuit Courts	FY 04-05	FY 05-06	
	\$1,065,645	\$1,045,645	GF
	5.00	5.00	FTE

Language:

Page 19, line 2, strike "\$75,756,553" and insert "\$76,822,198".
 Page 19, line 2, strike "\$79,070,327" and insert "\$80,115,972".

Judicial Department			Item 32 #3s
Circuit Courts	FY 04-05	FY 05-06	
	(\$250,000)	(\$400,000)	GF

Language:

Page 19, line 2, strike "\$75,756,553" and insert "\$75,506,553".
 Page 19, line 2, strike "\$79,070,327" and insert "\$78,670,327".

Judicial Department			Item 33 #1s
General District Courts	FY 04-05	FY 05-06	
	\$385,870	\$380,870	GF
	2.00	2.00	FTE

Language:

Page 20, line 2, strike "\$75,218,062" and insert "\$75,603,932".
 Page 20, line 2, strike "\$75,218,062" and insert "\$75,598,932".

Judicial Department			Item 33 #2s
General District Courts	FY 04-05	FY 05-06	
	\$1,500,000	\$1,796,812	GF
	49.00	49.00	FTE

Language:

Page 20, line 2, strike "\$75,218,062" and insert "\$76,718,062".
 Page 20, line 2, strike "\$75,218,062" and insert "\$77,014,874".

Judicial Department			Item 39 #1s
Public Defender Commission	FY 04-05	FY 05-06	
	\$258,542	\$355,770	GF
	4.00	6.00	FTE

Language:

Page 25, line 33, strike "\$23,678,918" and insert "\$23,937,460".
 Page 25, line 33, strike "\$23,693,663" and insert "\$24,049,433".
 Page 33, line 32, strike "PUBLIC DEFENDER COMMISSION" and insert:
 "INDIGENT DEFENSE COMMISSION"
 Page 33, line 39, strike "Public Defender Commission" and insert:
 "Indigent Defense Commission"

Judicial Department			Item 39 #3s
Public Defender Commission	FY 04-05	FY 05-06	
	\$2,930,551	\$3,204,386	GF
	49.25	49.25	FTE

Language:

Page 25, line 33, strike "\$23,678,918" and insert "\$26,609,469".
 Page 25, line 33, strike "\$23,693,663" and insert "\$26,898,049".

Judicial Department			Item 39 #4s
Public Defender Commission	FY 04-05	FY 05-06	
	\$402,100	\$0	GF

Language:

Page 25, line 33, strike "\$23,678,918" and insert "\$24,081,018".

Judicial Department			Item 39 #5s
Public Defender Commission	FY 04-05	FY 05-06	
	\$206,723	\$185,503	GF

Language:

Page 25, line 33, strike "\$23,678,918" and insert "\$23,885,641".

Page 25, line 33, strike "\$23,693,663" and insert "\$23,879,166".

Judicial Department			Item 41 #1s
Virginia State Bar	FY 04-05	FY 05-06	
	\$800,000	\$800,000	GF

Language:

Page 26, line 14, strike "\$5,423,515" and insert "\$6,223,515".

Page 26, line 14, strike "\$5,423,515" and insert "\$6,223,515".

Executive Offices			Item 51 #1s
Attorney General And Department Of	FY 04-05	FY 05-06	
Law	\$500,000	\$500,000	NGF

Language:

Page 30, line 27, strike "\$1,938,429" and insert "\$2,438,429".

Page 30, line 27, strike "\$1,938,429" and insert "\$2,438,429".

Page 30, line 32, strike "750,000" and insert "1,250,000".

Page 30, line 33, strike "750,000" and insert "1,250,000".

Page 30, strike line 34 and insert "Regulatory, Consumer Advocacy, Litigation, and Enforcement Revolving Trust".

Page 30, line 36, after "1994" insert "and amended herein".

Page 30, line 37, after "fees" insert "civil penalties,".

Page 30, line 40, after "litigation" insert:

"or enforcement efforts pursuant to Article 5 (Section 3.1-336.1 et seq.) and Article 6 (Section 3.1-336.3 et seq.) of Chapter 18 of Title 3.1 of the Code of Virginia. In addition, the Department of Law is authorized to deposit to the Fund any attorneys' fees which from time to time may be obtained."

Page 30, line 43, strike "750,000" and insert "1,250,000".

Page 30, line 45, after "fund." insert:

"In addition to the uses of the Fund permitted by Item 48 of Chapter 966 of the Acts of Assembly of 1994, a portion of the Fund not to exceed \$500,000 may be used to pay costs associated with enforcement efforts pursuant to Article 5 (Section 3.1-336.1 et seq.) and Article 6 (Section 3.1-336.3 et seq.) of Chapter 18 of Title 3.1 of the Code of Virginia, costs associated with litigation initiated by the Office of the Attorney General, and costs associated with civil commitment procedures pursuant to Article 1.1 (Section 37.1-70.1 et seq.) of Chapter 2 of Title 37.1 of the Code of Virginia."

Executive Offices			Item 53 #3s
Division Of Debt Collection			
			Language

Language:

Page 31, line 29, after "\$1,000." insert:

"Notwithstanding any provision of the Code of Virginia, the University of Virginia Medical Center shall be exempt from participating in the Office of the Attorney General's debt collection process, provided that the University demonstrates to the Secretary of Finance that a change in the debt collection agent is cost effective, in which case the University of Virginia shall have the authority to collect its Medical Center accounts receivable by engaging private collection agents and attorneys to

pursue collection actions, and to compromise, settle, and discharge Medical Center accounts receivable claims.”

Executive Offices
 Division Of Debt Collection

Item 53 #5s

Language

Language:

Page 31, strike lines 24-33 and insert:

“A.1. For collection of accounts receivable of \$3,000 or more that are 60 days or more past due, each state agency and institution shall forward those claims to the Office of Attorney General, Division of Debt Collection for collection. The Attorney General shall review forwarded accounts, determine the appropriate collection efforts if any, for each account, and take such actions on the accounts as he may so determine.

2. For collection of accounts receivable under \$3,000 that are 60 days or more past due, each agency and institution shall contract with a private collection agency for the collection of those debts. Prior to referring accounts receivable of less than \$3,000, agencies and institutions may refer such accounts to the Office of the Attorney General, Division of Debt Collection. The Attorney General may accept the account for collection or return it to the agency or institution for collection by a private collection agency.

B.1. There is hereby created on the books of the Comptroller a special nonreverting fund known as the “Debt Collection Recovery Fund.” The Division of Debt Collection shall deposit to the Fund all revenues generated by it from receivables collected on behalf of state agencies. This provision shall apply whether such payment is made directly to the affected agency or to the Office of the Attorney General. Amounts collected from receivables in trust or federal funds, however, shall be returned to such funds.

2. The Secretary of Finance may make exemptions from the required deposits to the Fund, as specified in B.1. above, upon his determination that such collections are more appropriately returned to the fund source in which such receivables are due. Any such exemptions shall be reported to the Chairmen of the Senate Finance and House Appropriations Committees within 30 days of such approval.

3. From the amounts deposited into the Fund, 30 percent, not to exceed \$1,800,000 in any fiscal year, shall be paid to the Division of Debt Collection.

4. Thirty percent shall be returned to the state agency for which the claim was collected. Out of the balance in the Fund, the State Comptroller shall transfer up to \$3,454,000 to the general fund on or before June 30, 2005, and up to \$3,444,000 on or before June 30, 2006. Any amount in excess of the transfer which remains in the Debt Collection Recovery Fund each year after the transfer shall be returned on a pro rata basis to all state agencies having claims collected by the Division of Debt Collection during the course of the year, to the extent that such collections contributed to the balance in the Fund.

5. The Division of Debt Collection of the Office of the Attorney General and the Department of Accounts shall promulgate rules necessary to implement these provisions.”

Administration
 Secretary Of Administration

Item 58 #1s

Language

Language:

Page 34, following line 5, insert:

“A. The Secretary of Administration and the Secretary of Education shall rely on the advice of a third party professional engineer with experience in the field of building environmental controls to make a definitive recommendation on the management of the environmental controls for the Library

of Virginia. The Secretaries shall report their recommendations to the Governor and the Chairmen of the Senate Finance Committee and the House Appropriations Committee no later than August 1, 2004.

B. No later than August 1, 2004 the Attorney General shall take such legal action as is necessary to achieve an equitable resolution for the Commonwealth with regard to the serious environmental control issues in the Library of Virginia.”

Administration			Item 62 #1s
Commonwealth Competition Council	FY 04-05	FY 05-06	
	(\$262,297)	(\$262,297)	GF
	-3.00	-3.00	FTE

Language:

- Page 35, line 40, strike “\$262,297” and insert “\$0”.
- Page 35, line 40, strike “\$262,297” and insert “\$0”.
- Page 35, strike lines 39 through 50.
- Page 36, strike lines 1 through 26.

Administration		Item 63 #1s
Compensation Board		
		Language

Language:

- Page 37, line 6, strike “9,698” and “9,781” and insert “9,699” and “9,782”.
- Page 37, line 14, strike “507” and insert “506”.
- Page 37, line 15, strike “550” and insert “549”.

Administration		Item 63 #3s
Compensation Board		
		Language

Language:

- Page 37, line 11, strike “1,080” and “1,080” and insert “1,403” and “1,403”.

Administration		Item 64 #2s
Compensation Board		
		Language

Language:

- Page 40, line 54, strike: “\$95,528” “\$95,528” “\$98,394” and insert “\$97,677” “\$97,677” “\$100,607”.

Administration		Item 64 #3s
Compensation Board		
		Language

Language:

- Page 45, strike line 26 and insert: “Financial Assistance for Administration (xxx) ... \$9,486,236 \$9,486,236

Financial Assistance for Local Law Enforcement ... \$247,393,166 \$249,610,616”

Administration			Item 65 #1s
Compensation Board	FY 04-05	FY 05-06	
	\$284,043	\$239,091	GF

Language:

Page 43, line 20, strike “\$43,866,915” and insert “\$44,150,958”.
Page 43, line 20, strike “\$43,866,915” and insert “\$44,106,006”.

Administration			Item 65 #4s
Compensation Board			
			Language

Language:

Page 45, strike line 26 and insert:
“Financial Assistance for Administration (xxx) ... \$12,617,317 \$12,617,317
Financial Assistance for Local Attorneys
 For the Commonwealth \$31,249,599 \$31,249,599”.

Administration			Item 66 #1s
Compensation Board	FY 04-05	FY 05-06	
	\$14,000	\$14,000	GF

Language:

Page 45, line 15, strike “\$39,514,522” and insert “\$39,528,522”.
Page 45, line 15, strike “\$39,514,522” and insert “\$39,528,522”.
Page 45, line 32, strike “100,000-249,999” and insert “100,000-174,999”.
Page 45, following line 32, insert “175,000-249,999 \$110,302 \$110,302 \$117,090”.

Administration			Item 66 #3s
Compensation Board	FY 04-05	FY 05-06	
	\$5,295,183	\$5,295,183	NGF

Language:

Page 45, line 15, strike “\$39,514,522” and insert “\$44,809,705”.
Page 45, line 15, strike “\$39,514,522” and insert “\$44,809,705”.
Page 45, strike line 16 and insert:
“Financial Assistance for Administration (xxx) ... \$10,468,619 \$10,468,619
Financial Assistance for Circuit Court Services .. \$24,581,061 \$24,581,061
Financial Assistance for Maintenance of Local Land Records \$9,760,025 \$9,760,025”
Page 46, line 55, strike “\$1,489,213” and “\$1,489,213” and insert “\$9,760,025” and “\$9,760,025”
Page 46, line 56, strike “operating”.
Page 47, strike line 1 and insert:
“personal services to process land records in accordance with the Board's staffing standards.”

Administration			Item 67 #3s
Compensation Board	FY 04-05	FY 05-06	
	\$13,200,000	\$13,200,000	GF

Language:

Page 47, line 10, strike “\$62,303,558” and insert “\$75,503,558”.

Page 47, line 10, strike "\$66,137,960" and insert "\$79,337,960".

Administration			Item 69 #1s
Compensation Board	FY 04-05	FY 05-06	
	\$85,515	\$192,486	GF

Language:

Page 51, line 43, strike "\$21,801,282" and insert "\$21,886,797".

Page 51, line 43, strike "\$21,801,282" and insert "\$21,993,768".

Page 53, line 3, at the end of the line, insert a new paragraph D as follows:

"D.1. Out of the amounts in this Item shall be provided \$85,515 in the first year and \$192,486 in the second year from the general fund for the Compensation Board to implement a Deputy Treasurers' Career Development Plan. The Compensation Board shall adopt minimum criteria for the Deputy Treasurers' Career Development Plan by July 15, 2004. The minimum criteria shall include initial and continuing education requirements for the Deputy Treasurers and performance criteria. The Compensation Board shall submit the minimum criteria for Deputy Treasurers' Career Development Plan to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than August 15, 2004.

2. For each Deputy Treasurer selected by the Treasurer for participation in the Career Development Program, the Compensation Board shall increase the annual salary established for that position by 9.3 per cent, effective December 1, following receipt of the Treasurer's certification that the minimum requirements of the Deputy Treasurers' Career Development Program have been met, and provided that such certification is submitted by the Treasurer as part of the annual budget request to the Compensation Board on February 1st of each year. The first period for Treasurers to make this certification and select Deputy Treasurers for participation in the Career Development Program will be on the budget request submitted to the Compensation Board on or before February 1, 2004, for a salary increase effective date of December 1, 2004. Subsequent new certifications and selections for participation will occur each year as a part of the annual budget request submission on or before February 1st of each year, for an effective date of salary increase of the following December 1st."

Administration			Item 69 #2s
Compensation Board	FY 04-05	FY 05-06	
	(\$5,536,713)	(\$5,536,713)	GF

Language:

Page 51, line 43, strike "\$21,801,282" and insert "\$16,264,569".

Page 51, line 43, strike "\$21,801,282" and insert "\$16,264,569".

Page 45, strike line 26 and insert:

"Financial Assistance for Administration (xxx) ...	\$7,860,338	\$7,860,338
Financial Assistance for Treasurers	\$7,384,347	\$7,384,347
Financial Assistance for State Tax Services	\$1,019,884	\$1,019,884"

Administration			Item 69.10 #1s
Compensation Board	FY 04-05	FY 05-06	
	\$5,536,713	\$5,536,713	GF

Language:

Page 53, following line 3, insert:

"69.10. Revenue Administration Services (73210)	\$5,536,713	\$5,536,713
Fund Sources: General	\$5,536,713	\$5,536,713."
Financial Assistance for Administration (xxx) ...	\$515,271	\$515,271

Financial Assistance to Local Directors of Finance \$5,021,442 \$5,021,442”

Administration			Item 70 #1s
Compensation Board	FY 04-05	FY 05-06	
	\$97,161	\$238,840	GF

Language:

Page 53, line 4, strike “\$16,076,334” and insert “\$16,173,495”.

Page 53, line 4, strike “\$16,076,334” and insert “\$16,315,174”.

Page 53, following line 27, insert:

“C.1. Out of the amounts in this Item shall be provided \$76,888 in the first year and \$185,909 in the second year from the general fund for the Compensation Board to establish a Commissioners' Career Development Plan. The Compensation Board shall adopt minimum criteria for the Commissioners of the Revenue Career Development Plan by August 1, 2004. The minimum criteria shall include initial and continuing education requirements for the Commissioners of the Revenue and Deputy Commissioners of the Revenue; specify the base duties, state income tax duties, and real estate services performed by Commissioners to be considered as part of the Career Development Plan; and the adoption of certain Standards of Accountability to be attained by the Commissioners of the Revenue with respect to how the Commissioners' offices are managed and operated. The Compensation Board shall submit the minimum criteria for Commissioners of the Revenue Career Development Plan to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than August 15, 2004.

2. Following receipt of the Commissioner's certification that the minimum requirements of the Commissioners of the Revenue Career Development Plan have been met, and provided that such certification is received by the Compensation Board on or before November 1, 2004, the Compensation Board shall increase the annual salary shown in Paragraph A of this Item by the amount shown herein for a 12-month period effective December 1, 2004. Subsequent certifications shall be submitted by Commissioners of the Revenue as part of their annual budget request to the Compensation Board on February 1 of each year, with the salary increase becoming effective on the following December 1st for a 12-month period. The salary supplement will be based upon the levels of service offered by the Commissioner of the Revenue for his/her locality and will be in accordance with the following schedule:

- a. 4.7 per cent increase for all Commissioners of the Revenue who certify their compliance with the established minimum criteria for the Commissioners of the Revenue Career Development Plan;
- b. 2.3 per cent additional increase for all Commissioners of the Revenue who certify their compliance with the established minimum criteria for the Commissioners of the Revenue Career Development Plan and provide State Income Tax or Real Estate services as described in the minimum criteria for the Commissioners of the Revenue Career Development Plan; and
- c. 2.3 per cent additional increase for all Commissioners of the Revenue who certify their compliance with the established minimum criteria for the Commissioners of the Revenue Career Development Plan and provide State Income Tax and Real Estate services, as described in the minimum criteria for the Commissioners of the Revenue Career Development Plan.

D.1. Out of the amounts in this Item shall be provided \$20,273 in the first year and \$52,571 in the second year from the general fund for the Compensation Board to implement a Deputy Commissioners' Career Development Plan. The Compensation Board shall adopt minimum criteria for the Deputy Commissioners' Career Development Plan by July 15, 2004. The minimum criteria shall include initial and continuing education requirements for the Deputy Commissioners of the Revenue; specify the base duties, state income tax duties, and real estate services performed by Commissioners' offices to be considered as part of the Career Development Plan; and the adoption of certain Standards of Accountability to be attained by the Deputy Commissioners of the Revenue. The Compensation Board shall submit the minimum criteria for Deputy Commissioners of the

Revenue Career Development Plan to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than August 15, 2004.

2. For each Deputy Commissioner selected by the Commissioner of the Revenue for participation in the Career Development Plan, the Compensation Board shall increase the annual salary established for that position by 9.3 per cent effective December 1, following receipt of the Commissioner of the Revenue's certification that the minimum requirements of the Deputy Commissioners' Career Development Plan have been met, and provided that such certification is submitted by the Commissioner of the Revenue as part of the annual budget request to the Compensation Board on February 1st of each year. The first period for Commissioners of the Revenue to make this certification and select deputy commissioners for participation in the Career Development Plan will be on the budget request submitted to the Compensation Board on or before February 1, 2004, for a salary increase effective date of December 1, 2004. Subsequent new certifications and selections for participation will occur each year as a part of the annual budget request submission on or before February 1st of each year, for an effective date of salary increase of the following December 1st."

Administration Item 70 #2s
Compensation Board

Language

Language:

Page 45, strike line 26 and insert:

"Financial Assistance for Administration (xxx) ...	\$7,485,578	\$7,485,578
Financial Assistance for Local		
Commissioners of the Revenue	\$8,371,660	\$8,371,660
Financial Assistance for State Tax Services	\$219,096	\$219,096"

Administration Item 78 #1s
Department Of General Services

Language

Language:

Page 57, after line 19, insert:

"D. The Department of Accounts shall provide a treasury loan of up to \$5,000,000 to the Department of General Services to support expansion and the department's overview of the statewide Virginia Partners in Procurement (VaPP) spend management program for the purpose of creating savings for the Commonwealth's agencies and institutions by collaborating in areas where there is an overlap in purchasing. Such loan shall bear interest at a rate equal to the general fund composite investment rate and shall be repaid no later than June 30, 2008. Funding for repayment of this loan will be from rebates or surcharges collected and/or fees added to the statewide spend management contracts. The General Assembly strongly encourages all state agencies and institutions of higher education to participate in the statewide spend management program authorized in this item."

Administration Item 79 #1s
Department Of General Services

Language

Language:

Page 58, line 8, strike the first "\$200,000" and insert "\$158,513".

Page 58, line 8, strike the second "\$200,000" and insert "\$158,513".

Page 58, line 12, insert:

“Notwithstanding any other provision of law, the FY 2005 and FY 2006 service charge payment to the City of Richmond for the Museum of Fine Arts shall not exceed the amount listed in this item.”

Administration Item 79 #2s
 Department Of General Services Language

Language:

Page 57, line 42, strike “\$23,171,209” and insert “\$23,562,008”.
 Page 57, line 43, strike “\$23,571,669” and insert “\$24,028,797.”

Administration Item 79 #4s
 Department Of General Services Language

Language:

Page 57, following line 43, insert:
 “2. The internal service fund shall assess a special fee sufficient to meet the funding requirements of Virginia Public Building Authority's Capital Repairs and Improvement Revolving Fund. The internal service fund shall transfer these funds to the Treasury Board for payment into the Virginia Public Building Authority's Capital Repairs and Improvement Revolving Fund; none of these funds may be used for debt service related to any outstanding bonds. Should the internal fund borrow moneys from the Virginia Public Building Authority's Capital Repairs and Improvement Revolving Fund, the rates of the fund shall be sufficient to repay any borrowing with interest.”

Administration Item 90 #1s
 Department Of Veterans Services Language

Language:

Page 62, line 36, following “Charlottesville” strike “, is contingent upon the”.
 Page 62, strike lines 37 to 39.

Administration Item 94 #1s
 State Board Of Elections Language

Language:

Page 63, line 44, following “recent” insert “provisional”.

Administration Item 94 #2s
 State Board Of Elections Language

Language:

Page 64, line 30, following “registrar” strike “by an amount up to 10 percent of the annual compensation set for the general registrar pursuant to this act.”.

Commerce And Trade Item 95 #2s
 Secretary Of Commerce And Trade Language

Language:

Page 68, after line 55, insert:

“C. Notwithstanding other provisions of this Act or the Code of Virginia, when assessing qualified applications for assistance, the highest priority for awards made under the Governor's Development Opportunity Fund, the various workforce services programs administered by the Department of Business Assistance, the small business incubator program, or the financial assistance programs administered by the Virginia Small Business Financing Authority shall be to applicants from economically distressed areas of the Commonwealth. Economic distressed areas are localities that (1) have average unemployment rates using the most recent 6-month average that are 200 percent higher than the most recent 6-month statewide average unemployment rate or (2) are within planning districts that have average unemployment rates for the most recent 6-month average that are at least one and one-half percent greater than the most recent 6-month statewide average.”

Commerce And Trade

Item 97 #2s

Department Of Agriculture And Consumer Services

Language

Language:

Page 69, line 22, insert “A.” before “All”.

Page 69, after line 23, insert:

“B. The department shall work with the Secretary of Commerce and Trade to develop performance goals and strategies to measure the impact of the department's activities in these areas: (1) marketing and promoting of products; (2) food safety and inspection services; (3) animal industry veterinary services and diagnostic laboratory services; and (4) plant pest and disease control services. The department shall submit these goals and measures by December 1, 2004, to the Chairmen of the Senate Finance and House Appropriations Committees. In addition, it is the intent of the General Assembly that the department incorporate these performance goals and strategies in budget amendments for review and approval by the 2005 Session.”

Commerce And Trade

Item 99 #4s

Department Of Agriculture And Consumer Services

Language

Language:

Page 70, line 40, strike “D.” and insert “D.1.”.

Page 70, line 43, strike “Winegrowers Advisory Board” and insert “Wine Board”.

Page 70, after line 44, insert:

“2. The Department of Alcoholic Beverage Control shall work with the Virginia Wine Board to report on the sales of Virginia-produced wines in the Commonwealth. The Virginia Wine Board shall report by January 12, 2005, to the Chairmen of the Senate Committees on Finance and Agriculture, Conservation and Natural Resources and to the Chairmen of the House Committees on Appropriations and Agriculture, Chesapeake and Natural Resources on the amount of sales and tax dollars derived from the sales of Virginia wines.”

Commerce And Trade

Item 99 #5s

Department Of Agriculture And
Consumer Services

FY 04-05
\$110,000
2.00

FY 05-06
\$110,000
2.00

GF
FTE

Language:

Page 69, line 30, strike “\$4,636,361” and insert “\$4,746,361”.

Page 69, line 30, strike "\$4,636,361" and insert "\$4,746,361".

Commerce And Trade			Item 99 #6s
Department Of Agriculture And	FY 04-05	FY 05-06	
Consumer Services	\$100,000	\$0	GF

Language:

Page 69, line 30, strike "\$4,636,361" and insert "\$4,736,361".

Commerce And Trade			Item 95.1 #2s
Secretary Of Commerce And Trade	FY 04-05	FY 05-06	
	\$150,000	\$150,000	GF
	1.00	1.00	FTE

Language:

Page 69, after line 3, insert:

"95.1. Administrative and Support Services \$150,000 \$150,000

General Management and Direction

Fund Sources: General \$150,000 \$150,000."

"Contingent upon passage of Senate Bill 543 by the 2004 Session of the General Assembly, the Governor shall transfer one position and requisite funding from the Department of Agriculture and Consumer Services and one position and requisite funding from the Office of the Secretary of Commerce and Trade to the Office of the Secretary of Agriculture and Forestry."

Commerce And Trade			Item 102 #3s
Department Of Agriculture And	FY 04-05	FY 05-06	
Consumer Services	\$100,000	\$0	GF

Language:

Page 71, line 36, strike "\$3,667,962" and insert "\$3,767,962".

Commerce And Trade			Item 104 #1s
Department Of Agriculture And Consumer Services			
			Language

Language:

Page 72, line 9, insert "A.1." before "Notwithstanding".

Page 72, after line 14, insert:

"2. However, any such entity that is subject to any permit fee, application fee, inspection fee, or similar fee, imposed by any locality shall not be subject to this registration fee."

Commerce And Trade			Item 104 #3s
Department Of Agriculture And	FY 04-05	FY 05-06	
Consumer Services	\$0	(\$500,000)	NGF

Language:

Page 72, line 1, strike "\$2,243,624" and insert "\$1,743,624".

Page 72, line 9, before "Notwithstanding", insert "A.".

Page 72, line 11, after "\$9", insert "the first year and \$4 the second year".

Page 72, after line 14, insert:

"B. By December 30, 2004, the department shall report to the Chairmen of the Senate Finance and Agriculture, Conservation and Natural Resources Committees, and House Appropriations and

Agriculture, Chesapeake and Natural Resources Committees on the number of devices by type, which are subject to the fee requirement.”

Commerce And Trade			Item 107 #2s
Department Of Business Assistance	FY 04-05	FY 05-06	
	\$150,000	\$150,000	GF
	2.00	2.00	FTE

Language:

Page 73, line 18, strike “\$11,966,255” and insert “\$12,116,255”.
 Page 73, line 18, strike “\$11,966,255” and insert “\$12,116,255”.

Commerce And Trade			Item 107 #3s
Department Of Business Assistance	FY 04-05	FY 05-06	
	\$300,000	\$0	GF

Language:

Page 73, line 18, strike “\$11,966,255” and insert “\$12,266,255”.

Commerce And Trade			Item 107 #4s
Department Of Business Assistance	FY 04-05	FY 05-06	
	\$0	(\$148,700)	GF

Language:

Page 73, line 18, strike “\$11,966,255” and insert “\$11,817,555”.
 Page 73, line 36, strike “and”.
 Page 73, line 37, strike “\$148,700 the second year”.

Commerce And Trade			Item 107 #5s
Department Of Business Assistance	FY 04-05	FY 05-06	
	\$534,605	\$563,571	GF
	\$1,065,924	\$1,065,924	NGF
	24.00	24.00	FTE

Language:

Page 73, line 18, strike “\$11,966,255” and insert “\$13,566,784”.
 Page 73, line 18, strike “\$11,966,255” and insert “\$13,595,750”.
 Page 74, after line 37, insert:

“F. To encourage equal opportunity in state procurement, the Department of Business Assistance shall recognize and fully implement the Governor’s Executive Order 29 issued on July 2, 2002.

G.1. The Department of Business Assistance shall continue the study authorized under Item 125 of Chapter 1042 of the 2003 Acts of Assembly.

2. However, any monies held in an institutional fund outside of the state treasury for the purpose of carrying out the study shall be transferred to the state treasury. Such monies shall be treated as special funds, and shall not be taken into consideration in, nor be used to reduce, state appropriations or payments, but such funds shall be used in accordance with the wishes of the donors to offset the costs of conducting analyses of the availability and utilization of minority business enterprises or otherwise strengthen the services rendered by the department to minority business enterprises in the Commonwealth. The Director, Department of Planning and Budget is authorized to establish a nongeneral fund appropriation for the purpose of expending revenues that are received for this study.

H. The Department of Business Assistance is authorized to relocate from its present location to another less-expensive location more accessible to the public.

I. In developing the operating plan for the consolidated agency, the Department of Business Assistance shall seek input from representatives of affected client and industry groups. Upon completion of the operating plan, the Director, Department of Business Assistance shall submit copies to the Chairmen of the Senate Finance and House Appropriations Committees for their review.

J. It is the intent of the General Assembly that proposed legislation in the 2005 Session to effectuate the merger shall ensure that the core operations of the Department of Minority Business Enterprise shall continue.”

Commerce And Trade			Item 108 #2s
Department Of Forestry	FY 04-05	FY 05-06	
	\$159,000	\$159,000	GF

Language:

Page 74, line 47, strike “\$23,769,792” and insert “\$23,928,792”.

Page 74, line 47, strike “\$23,766,671” and insert “\$23,925,671”.

Commerce And Trade			Item 108 #5s
Department Of Forestry	FY 04-05	FY 05-06	
	\$125,000	\$250,000	GF

Language:

Page 74, line 47, strike “\$23,769,792” and insert “\$23,894,792”.

Page 74, line 47, strike “\$23,766,671” and insert “\$24,016,671”.

Page 75, strike lines 34 through 36 and insert:

“G. The appropriation in the Forestry and Reforestation Incentives subprogram includes \$125,000 the first year and \$250,000 the second year from the general fund for the Reforestation of Timberlands Fund. This appropriation shall be deemed sufficient to meet the provisions of Titles 10.1 and 58.1, Code of Virginia.”

Commerce And Trade			Item 109 #1s
Department Of Housing And Community Development			
			Language

Language:

Page 76, after line 3, insert:

“As a condition of appropriation, the Department of Housing and Community Development shall work towards accomplishing these goals and strategies in the 2004-2006 biennium:

In the program area of economic development, the department shall target community economic development activities to distressed areas of the Commonwealth with a goal of creating or retaining jobs and new private investment. The goal is to create or retain 4,500 jobs and to stimulate \$110 million of investment that can be directly tied to the department's efforts in each year of the biennium.

In the program area of infrastructure development, the department shall provide access to new safe drinking water and approved wastewater disposal systems to households. The goal is to provide new water and/or wastewater service to 1,500 households through the department's funded projects in each year of the biennium.

In the program area of fire and building safety, the department shall increase fire safety in buildings subject to inspection by the State Fire Marshal's Office. The goal is to eliminate fire code violations by inspecting 4,000 buildings annually and bringing 95 percent of the buildings into compliance with the Statewide Fire Prevention Code in each year of the biennium.

In the program area of housing assistance, the department shall increase the availability of decent, safe and affordable housing to individuals and families at 60 percent of median income or below. The goal is to produce 100 units of new affordable rental housing, improve 2,950 units of substandard housing and provide homeownership opportunities to 400 households in each year of the biennium.

In the program area addressing homelessness, the department shall reduce the number of families and individuals experiencing homelessness. The goal is to prevent 2,400 households from becoming homeless and to move 5,000 homeless individuals and families into permanent housing in each year of the biennium.”

Commerce And Trade			Item 111 #6s
Department Of Housing And Community Development	FY 04-05	FY 05-06	
	\$200,000	\$200,000	GF

Language:

Page 77, line 2, strike “\$40,027,706” and insert “\$40,227,706”.

Page 77, line 2, strike “\$40,027,706” and insert “\$40,227,706”.

Page 79, after line 19, insert:

“H. Out of the amounts in this Item and contingent upon passage of Senate Bill 407 (2004 Session) shall be provided \$200,000 the first year and \$200,000 the second year from the general fund for the Center for Rural Virginia. The department shall report periodically to the Chairmen of the Senate Finance and House Appropriations Committees on the status, needs and accomplishments of the Center.”

Commerce And Trade			Item 121 #1s
Department Of Mines, Minerals And Energy			
			Language

Language:

Page 81, line 44, strike “\$16,093” and insert “\$21,136”.

Page 81, line 45, strike “\$16,093” and insert “\$21,136”.

Commerce And Trade			Item 125 #1s
Department Of Minority Business Enterprise	FY 04-05	FY 05-06	
	(\$634,605)	(\$663,571)	GF
	(\$1,065,924)	(\$1,065,924)	NGF
	-24.00	-24.00	FTE

Language:

Page 83, line 7, strike “\$1,700,529” and insert “\$0”.

Page 83, line 7, strike “\$1,729,495” and insert “\$0”.

Page 83, strike lines 7 through 56 and insert:

“Notwithstanding Title 2.2, Part C, Chapter 14, Code of Virginia, the Department of Minority Business Enterprise will be merged into the Department of Business Assistance effective July 1, 2004. The powers and duties heretofore exercised by such agency shall hereafter be vested in the Department of Business Assistance.”

Commerce And Trade			Item 128 #3s
Virginia Economic Development Partnership	FY 04-05	FY 05-06	
	(\$250,000)	(\$250,000)	GF

Language:

Page 84, line 33, strike "\$16,683,880" and insert "\$16,433,880".
 Page 84, line 33, strike "\$16,151,939" and insert "\$15,901,939".
 Page 86, strike lines 45 through 48.

Commerce And Trade			Item 128 #4s
Virginia Economic Development Partnership	FY 04-05 (\$500,000)	FY 05-06 \$0	GF

Language:

Page 84, line 33, strike "\$16,683,880" and insert "\$16,183,880".
 Page 86, line 39, strike "\$1,000,000" and insert "\$500,000".
 Page 86, line 41, after "the Commonwealth" strike "is contingent upon the passage into".
 Page 86, strike lines 42 through 44 and insert: "The Partnership shall submit a plan to the Chairmen of the Senate Finance and House Appropriations Committees by January 12, 2005. The plan shall: (1) define distressed areas of the Commonwealth and set goals, strategies and outcomes for the special marketing program; (2) describe how the monies will be leveraged with local, private, federal, and other state dollars and in-kind assistance; (3) identify local and regional funding partners; and (4) identify other state economic development programs that can be targeted to distressed areas."

Commerce And Trade			Item 133 #2s
Virginia Racing Commission			Language

Language:

Page 89, line 37, after "year.", insert:
 "In no event, however, shall any funds be expended for that purpose until obligations in § 59.1-392 D.6., Code of Virginia are funded."

Commerce And Trade			Item 134 #10s
Virginia Tourism Authority	FY 04-05 \$200,000	FY 05-06 \$0	GF

Language:

Page 89, line 43, strike "\$11,369,914" and insert "\$11,569,914".
 Page 91, after line 12, insert:
 "J. Out of the amounts provided for Tourist Promotion, \$200,000 the first year from the general fund shall be provided to "See Virginia First", a public-private partnership operated by the Virginia Association of Broadcasters to advertise Virginia tourism."

Commerce And Trade			Item 134 #11s
Virginia Tourism Authority	FY 04-05 \$0	FY 05-06 (\$150,000)	GF

Language:

Page 89, line 43, strike "\$11,370,098" and insert "\$11,220,098".
 Page 91, line 2, strike "and \$150,000 the".
 Page 91, line 3, strike "second year".
 Page 91, line 4, after "tourism.", insert: "The Virginia Tourism Authority shall submit to the Chairmen of the Senate Finance and House Appropriations Committees by January 12, 2005, the workplan and the results of the first year's funding for the outdoor resources tourism initiative. The report shall include information defining the initiative and the related tourism activities; the number

of visitors participating in outdoor resources tourism; the economic impact of this tourism market in Virginia; and the growth potential of this market in relation to other segments of the Virginia tourism industry.”

Commerce And Trade Item 134 #12s
Virginia Tourism Authority

Language

Language:

Page 91, line 9, strike “is contingent upon the passage into”.

Page 91, strike lines 10 through 12 and insert “.”.

Commerce And Trade Item 134 #13s
Virginia Tourism Authority

Language

Language:

Page 91, after line 12, insert:

“J. The Authority shall work with the Secretary of Commerce and Trade to develop performance goals and strategies to measure the impact of the Authority's programs and activities, specifically in the areas of (1) marketing and promotions, (2) customer service and industry relations, and (3) film and television productions in Virginia. The Authority shall submit these goals and measures by December 1, 2004, to the Chairmen of the Senate Finance and House Appropriations Committees. In addition, it is the intent of the General Assembly that the Authority incorporate these performance goals and strategies in budget amendments for review and approval by the 2005 Session.”

Education: Elementary & Secondary Item 135 #1s
Secretary Of Education

Language

Language:

Page 94, after line 4, insert:

“F. Senior institutions of higher education shall make arrangements with community colleges for the remediation of students accepted for admission by the senior institutions.”

Education: Elementary & Secondary Item 135 #1s
Secretary Of Education

	FY 04-05	FY 05-06	
	\$984,000	\$0	GF

Language:

Page 92, line 3, strike “\$621,136” and insert “\$1,605,136”.

Page 94, after line 4, insert:

“F. Out of this appropriation, \$984,000 the first year from the general fund is designated to support the continuation of the school efficiency reviews pilot, in cooperation with the Department of Planning and Budget.”.

Education: Elementary & Secondary Item 135 #2s
Secretary Of Education

	FY 04-05	FY 05-06	
	\$100,000	\$0	GF

Language:

Page 92, line 3, strike “\$621,136” and insert “\$721,136”.

Page 94, after line 4, insert:

“F. Out of this appropriation, \$100,000 the first year from the general fund is provided for the following capital needs assessment and feasibility study. In the pre-planning phase for the consolidation at a single campus, the Secretaries of Education, Health and Human Resources, Administration, and Finance, together with the State Board of Education, the Department of Education, the two schools for the deaf, blind, and multi-disabled, the Woodrow Wilson Rehabilitation Center, the Department of General Services, and the Department of Planning and Budget shall complete a capital needs assessment and feasibility study for consolidating the State’s two existing schools for the deaf, blind, and multi-disabled on land at the Woodrow Wilson Rehabilitation Center. The Secretaries of Education, Health and Human Resources, Administration, and Finance shall submit a joint report on the capital needs assessment and feasibility study to the Governor and the Chairmen of the House Committees on Appropriations and Education, and the Senate Committees on Finance and Education and Health Committees by October 1, 2004. Building upon the work of the 2003 Consolidation Task Force, the report shall also include a suggested timeline of steps necessary to achieve a well-planned consolidation of the two existing schools at the new location no later than September 1, 2007, including the closing of the existing sites and disposition of the properties as well as a mechanism to assist the local school divisions with program development for those children who will not continue at the new school.”.

Education: Elementary & Secondary			Item 135 #4s
Secretary Of Education	FY 04-05	FY 05-06	
	(\$50,000)	\$0	GF

Language:

Page 92, line 3, strike “\$621,136” and insert “\$571,136”.
 Page 94, line 1, strike: “\$50,000 the first year from the general fund and”

Education: Elementary & Secondary			Item 135 #5s
Secretary Of Education			Language

Language:

Page 93, strike lines 15 through 60.

Education: Elementary & Secondary			Item 141 #1s
Department Of Education, Central	FY 04-05	FY 05-06	
Office Operations	(\$297,500)	(\$381,500)	GF

Language:

Page 97, line 18, strike “\$8,558,146” and insert “\$8,260,646”.
 Page 97, line 18, strike “\$8,779,646” and insert “\$8,398,146”.
 Page 99, line 2, strike “\$2,007,500 the first year and \$2,229,000 the second” and insert “\$1,710,000 the first year and \$1,847,500 the second”.

Education: Elementary & Secondary			Item 141 #2s
Department Of Education, Central	FY 04-05	FY 05-06	
Office Operations	\$0	\$320,000	GF

Language:

Page 97, line 18, strike “\$8,779,646” and insert “\$9,099,646”.
 Page 98, line 55, after “certificate” strike “for”.
 Page 98, strike lines 56 through 60.
 Page 98, line 61, strike “annually thereafter for the life of the certificate.”

Page 99, line 2, strike "\$2,229,000" and insert "\$2,549,000".

Education: Elementary & Secondary			Item 144 #1s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$600,000	\$600,000	GF

Language:

Page 100, line 2, strike "\$457,997,916" and insert "\$458,597,916".

Page 100, line 2, strike "\$465,142,441" and insert "\$465,742,441".

Education: Elementary & Secondary			Item 144 #2s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$908,500)	(\$1,408,500)	GF

Language:

Page 100, line 2, strike "\$457,997,916" and insert "\$457,089,416".

Page 100, line 2, strike "\$465,142,441" and insert "\$463,733,941".

Page 101, after line 3, insert:

"A. 1. This appropriation includes \$3,467,910 the first year and \$3,688,379 the second year from the general fund for targeted education initiatives to improve student achievement and teacher quality, including a mentoring program for teachers with no experience working in schools that are at-risk of not meeting adequate yearly progress, a middle school math teacher initiative in at-risk schools, and turnaround specialists in schools that have consistently failed to show improvement in student progress.

2. The Department of Education shall continue to work with the school divisions to estimate the cost impacts of the federal No Child Left Behind Act. The Superintendent of Public Instruction shall provide an update on expected local cost impacts, as well as State costs, to the Chairmen of the House Appropriations and Senate Finance Committees by July 1, 2004 and subsequent updates as needed."

Education: Elementary & Secondary			Item 145 #1s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$22,112,566	\$253,093	GF

Language:

Page 103, line 40, strike "\$265,335,825" and insert "\$287,448,391".

Page 103, line 40, strike "\$275,092,690" and insert "\$275,345,783".

Education: Elementary & Secondary			Item 145 #2s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$24,909,601)	(\$27,487,057)	GF

Language:

Page 103, line 40, strike "\$265,335,825" and insert "\$240,426,224".

Page 103, line 40, strike "\$275,092,690" and insert "\$247,605,633".

Education: Elementary & Secondary			Item 146 #1s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$208,047,357	\$209,787,477	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$3,128,474,490".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$3,144,251,597".

Page 111, after line 35, insert:

“10. Included in the amounts provided to update the Standards of Quality for the 2004-06 biennium, approximately \$350 million reflects growth in prevailing salaries and related fringe benefits. It is the desire of the General Assembly that on average local school divisions continue to improve the average salary for classroom teachers by at least three percent per year, the actual average annual rate increase in recent years.”.

Education: Elementary & Secondary			Item 146 #2s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$213,170,176	\$217,264,809	GF

Language:

Page 105, line 15, strike “\$2,920,427,133” and insert “\$3,133,597,309”.

Page 105, line 15, strike “\$2,934,464,120” and insert “\$3,151,728,929”.

Page 109, line 43, strike “Funding in support of an additional 9”.

Page 109, strike lines 44 through 47.

Page 111, after line 44, insert:

“By November 15 of each year, the Department of Planning and Budget, in cooperation with the Department of Education, shall prepare and submit a preliminary forecast of Standards of Quality expenditures, based upon the most current data available, to the Chairmen of the House Appropriations and Senate Finance Committees. In odd-numbered years, the forecast for the current and subsequent two fiscal years shall be provided. In even-numbered years, the forecast for the current and subsequent fiscal year shall be provided. The forecast shall detail the projected Average Daily Membership and the resulting impact on the education budget.

The Superintendent of Public Instruction shall submit to the Chairmen of the House Appropriations and Senate Finance Committees: (a) by September 1, 2004, an update on the Department of Education's on-going efforts to increase consistency of Annual School Report (ASR) data submitted and used in estimating costs, including updated documentation for Annual School Report submissions by school divisions and the schedule for publishing the ASR-related tables in the Superintendent's Annual Report; (b) by September 1, 2005, updated comprehensive documentation of the Standards of Quality (SOQ) cost model and the schedule for publishing key SOQ model reports.”.

Education: Elementary & Secondary			Item 146 #3s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$49,274,224	\$49,555,079	GF

Language:

Page 105, line 15, strike “\$2,920,427,133” and insert “\$2,969,701,357”.

Page 105, line 15, strike “\$2,934,464,120” and insert “\$2,984,019,199”.

Page 122, line 38, strike “unserved”.

Page 122, strike line 39.

Page 122, line 55, strike “\$5,400” and insert “\$6,000”.

Page 122, strike line 56 and insert “the at-risk four-year-olds in”.

Page 123, strike lines 1 through 10.

Education: Elementary & Secondary			Item 146 #4s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$41,010	\$7,506	GF

Language:

Page 105, line 15, strike “\$2,920,427,133” and insert “\$2,920,468,143”.

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,934,471,626".

Page 115, line 27, strike "\$64,567,263" and insert "\$64,608,273".

Page 115, line 28, strike "\$65,025,564" and insert "\$65,033,070".

Education: Elementary & Secondary			Item 146 #5s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$469,788)	(\$483,033)	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,919,957,345".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,933,981,087".

Page 117, line 46, strike "\$68,878,904" and insert "\$68,409,116".

Page 117, line 47, strike "\$69,033,753" and insert "\$68,550,720".

Education: Elementary & Secondary			Item 146 #6s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$1,088,338)	(\$1,133,754)	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,919,338,795".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,933,330,366".

Page 126, line 48, strike "failed the".

Page 126, strike line 49 and insert "qualify for the federal Free Lunch Program."

Education: Elementary & Secondary			Item 146 #7s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$0	\$254,248	GF

Language:

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,934,718,368".

Page 114, line 50, strike "and \$400,000 the second year".

Page 115, line 2, after "City of Norton." insert "An additional state payment of \$200,000 the second year from the general fund is provided as a Small School Division Assistance grant for the school division of the City of Norton."

Education: Elementary & Secondary			Item 146 #8s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$22,814,336	\$23,095,322	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,943,241,469".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,957,559,442".

Page 113, strike lines 40 through 45.

Education: Elementary & Secondary			Item 146 #9s
Direct Aid To Public Education			
			Language

Language:

Page 128, line 23, strike "is contingent".

Page 128, strike lines 24 through 26.

Education: Elementary & Secondary			Item 146 #10s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$1,466,336)	(\$2,241,415)	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,918,960,797".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,932,222,705".

Page 115, strike lines 8 through 25.

Education: Elementary & Secondary			Item 146 #11s
Direct Aid To Public Education			Language

Language:

Page 114, line 1, strike "is contingent upon the passage".

Page 114, strike lines 2 through 4.

Education: Elementary & Secondary			Item 146 #29s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$12,263,573	\$5,240,323	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,932,690,706".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,939,704,443".

Education: Elementary & Secondary			Item 146 #30s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$5,814,667)	(\$7,168,942)	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,914,612,466".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,927,295,178".

Education: Elementary & Secondary			Item 147 #1s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$10,322,268	\$12,724,788	GF

Language:

Page 128, line 28, strike "\$1,279,045,675" and insert "\$1,289,367,943".

Page 128, line 28, strike "\$1,328,043,698" and insert "\$1,340,768,486".

Education: Elementary & Secondary			Item 149 #1s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$88,914	\$88,965	GF

Language:

Page 130, line 23, strike "\$12,781,908" and insert "\$12,870,822".

Page 130, line 23, strike "\$13,049,102" and insert "\$13,138,067".

Page 131, line 11, strike "1,300" and insert "1,400".

Page 131, line 35, strike "2002-2003" and insert "2003-2004".

Education: Elementary & Secondary			Item 151 #1s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$200,000	\$200,000	GF

Language:

Page 131, line 51, strike "\$2,700,000" and insert "\$2,900,000".

Page 131, line 51, strike "\$2,700,000" and insert "\$2,900,000".

Page 132, after line 3, insert:

"This appropriation includes \$200,000 each year from the general fund for the Jobs for Virginia Graduates program to place career specialists in schools."

Education: Higher Education			Item 163 #1s
State Council Of Higher Education For Virginia	FY 04-05	FY 05-06	
	\$1,699,302	\$1,418,847	GF

Language:

Page 136, line 24, strike "\$47,525,465" and insert "\$49,224,767".

Page 136, line 24, strike "\$46,384,948" and insert "\$47,803,795".

Page 137, line 5, strike "\$39,891,082" and insert "\$41,590,384".

Page 137, line 6, strike "\$40,740,733" and insert "\$42,159,580".

Page 137, line 8, strike "Out of the amounts cited in this".

Page 137, strike lines 9 through 15.

Page 137, strike lines 28 through 33, and insert:

"1. Payments to students out of this appropriation shall not exceed \$2,500 for qualified undergraduate students and \$2,000 for qualified graduate and medical students attending not-for-profit, independent institutions in accordance with §§ 23-38.12 through 23-38.19, Code of Virginia."

Education: Higher Education			Item 163 #2s
State Council Of Higher Education For Virginia	FY 04-05	FY 05-06	
	\$50,000	\$50,000	GF

Language:

Page 136, line 24, strike "\$47,525,465" and insert "\$47,575,465".

Page 136, line 24, strike "\$46,384,948" and insert "\$46,434,948".

Page 139, line 26, insert:

"H. Out of this appropriation, \$50,000 in each year from the general fund is provided for the Brown v. Board of Education Scholarship Program and Fund. The State Council of Higher Education for Virginia shall administer this program as set out in Senate Bill 230 of the 2004 session of the General Assembly."

Education: Higher Education			Item 163 #3s
State Council Of Higher Education For Virginia	FY 04-05	FY 05-06	
	(\$1,990,168)	\$0	GF

Language:

Page 136, line 24, strike "\$47,525,465" and insert "\$45,535,297".

Page 139, strike lines 7 through 25.

Education: Higher Education			Item 163 #4s
State Council Of Higher Education For Virginia	FY 04-05 (\$160,000)	FY 05-06 (\$160,000)	GF

Language:

Page 136, line 24, strike "\$47,525,465" and insert "\$47,365,465".
 Page 136, line 24, strike "\$46,384,948" and insert "\$46,224,948".
 Page 138, strike lines 34 through 54.
 Page 139, strike lines 1 through 6.

Education: Higher Education			Item 164 #1s
State Council Of Higher Education For Virginia	FY 04-05 (\$432,297)	FY 05-06 (\$371,708)	GF

Language:

Page 139, line 27, strike "\$6,680,728" and insert "\$6,248,431".
 Page 139, line 27, strike "\$6,592,208" and insert "\$6,220,500".
 Page 141, line 56, strike "\$5,606,894" and insert "\$5,174,597"
 Page 141, line 57, strike "\$5,606,894" and insert "\$5,235,186"
 Page 142, after "Library.," strike lines 4 through 10.

Education: Higher Education			Item 165 #4s
State Council Of Higher Education For Virginia	FY 04-05 (\$135,290) -1.00	FY 05-06 (\$135,290) -1.00	GF FTE

Language:

Page 140, line 38, strike "\$9,842,470" and insert "\$9,707,180".
 Page 140, line 38, strike "\$9,848,424" and insert "\$9,713,134".

Education: Higher Education			Item 168 #3s
Christopher Newport University	FY 04-05 \$400,000	FY 05-06 \$400,000	GF

Language:

Page 143, line 29, strike "\$34,870,597" and insert "\$35,270,597".
 Page 143, line 29, strike "\$35,707,092" and insert "\$36,107,092".

Education: Higher Education			Item 168 #8s
Christopher Newport University	FY 04-05 \$0 \$0	FY 05-06 \$162,682 \$87,603	GF NGF

Language:

Page 143, line 29, strike "\$35,707,092" and insert "\$35,957,377".

Education: Higher Education			Item 168 #9s
Christopher Newport University			Language

Language:

Page 144, line 5, insert:

“C. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$14,229,712 in nongeneral funds the first year and \$15,155,910 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue.”

Education: Higher Education			Item 168 #10s
Christopher Newport University	FY 04-05	FY 05-06	
	\$213,830	\$394,763	GF
	\$219,781	\$405,749	NGF

Language:

Page 143, line 29, strike “\$34,870,597” and insert “\$35,304,208”.

Page 143, line 29, strike “\$35,707,092” and insert “\$36,507,604”.

Page 144, line 5, insert:

“C. Out of this appropriation, \$213,830 is provided in the first year and \$394,763 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”.

Education: Higher Education			Item 168 #11s
Christopher Newport University	FY 04-05	FY 05-06	
	\$3,311,789	\$3,311,789	GF
	\$565,868	\$1,154,371	NGF

Language:

Page 143, line 29, strike “\$34,870,597” and insert “\$38,748,254”.

Page 143, line 29, strike “\$35,707,092” and insert “\$40,173,252”.

Page 144, line 5, insert:

“C. Out of this appropriation, \$3,311,789 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 168 #12s
Christopher Newport University	FY 04-05	FY 05-06	
	(\$664,224)	(\$1,062,035)	GF
	(\$287,203)	(\$574,407)	NGF

Language:

Page 143, line 29, strike “\$34,870,597” and insert “\$33,919,170”.

Page 143, line 29, strike “\$35,707,092” and insert “\$34,070,650”.

Page 143, strike lines 44 through 49.

Page 144, strike lines 1 through 5.

Education: Higher Education			Item 168 #13s
Christopher Newport University	FY 04-05	FY 05-06	
	\$171,985	\$172,317	NGF

Language:

Page 143, line 29, strike "\$34,870,597" and insert "\$35,042,582".

Page 143, line 29, strike "\$35,707,092" and insert "\$35,879,409".

Education: Higher Education			Item 169 #1s
Christopher Newport University	FY 04-05	FY 05-06	
	\$315,711	\$315,711	GF

Language:

Page 144, line 6, strike "\$2,490,787" and insert "\$2,806,498".

Page 144, line 6, strike "\$2,490,787" and insert "\$2,806,498".

Education: Higher Education			Item 172 #3s
The College Of William And Mary In Virginia	FY 04-05	FY 05-06	
	\$542,127	\$608,765	NGF

Language:

Page 144, line 35, strike "\$100,624,631" and insert "\$101,166,758".

Page 144, line 35, strike "\$100,285,985" and insert "\$100,894,750".

Education: Higher Education			Item 172 #4s
The College Of William And Mary In Virginia	FY 04-05	FY 05-06	
	(299,581)	(443,354)	GF
	(507,980)	(751,748)	NGF

Language:

Page 144, line 35, strike "\$100,624,631" and insert "\$99,817,070".

Page 144, line 35, strike "\$100,285,985" and insert "\$99,090,883".

Page 145, strike lines 23 through 34.

Education: Higher Education			Item 172 #5s
The College Of William And Mary In Virginia	FY 04-05	FY 05-06	
	\$2,227,638	\$2,227,638	GF
	\$2,484,176	\$5,002,503	NGF

Language:

Page 144, line 35, strike "\$100,624,631" and insert "\$105,336,445".

Page 144, line 35, strike "\$100,285,985" and insert "\$107,516,126".

Page 145, line 35, insert:

"E. Out of this appropriation, \$2,227,638 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate,

and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 172 #6s
The College Of William And Mary In Virginia	FY 04-05	FY 05-06	
	\$399,070	\$736,745	GF
	\$925,720	\$1,709,022	NGF

Language:

Page 144, line 35, strike “\$100,624,631” and insert “\$101,949,421”.

Page 144, line 35, strike “\$100,285,985” and insert “\$102,731,752”.

Page 145, line 35, insert:

“E. Out of this appropriation, \$399,070 is provided in the first year and \$736,745 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education		Item 172 #7s
The College Of William And Mary In Virginia		Language

Language:

Page 145, line 35, insert:

“E. In conjunction with Senate Joint Resolution 90 of the 2004 General Assembly, the College of William and Mary may pursue the development of a prototype charter agreement to present to the joint subcommittee for its consideration in studying the administrative and financial relationships between the Commonwealth and its public institutions of higher education.”

Education: Higher Education		Item 172 #8s
The College Of William And Mary In Virginia		Language

Language:

Page 145, line 35, insert:

“E. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$62,426,730 in nongeneral funds the first year and \$65,795,017 in nongeneral funds the second year in tuition and mandatory educational and general fee revenue.”

Education: Higher Education		Item 172 #10s
The College Of William And Mary In Virginia		Language

Language:

Page 145, line 16, strike “The”

Page 145, strike lines 17 through 22.

Education: Higher Education		Item 176 #1s
Richard Bland College		Language

Language:

Page 147, line 4, insert:

“D. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$2,354,839 in nongeneral funds the first year and \$2,496,026 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue.”

Education: Higher Education			Item 176 #2s
Richard Bland College	FY 04-05	FY 05-06	
	(\$63,000)	(\$63,000)	GF
	(\$44,000)	(\$44,000)	NGF

Language:

Page 146, line 34, strike “\$6,795,035” and insert “\$6,688,035”.

Page 146, line 34, strike “\$6,814,478” and insert “\$6,707,478”.

Page 146, strike lines 44 through 51.

Page 147, strike lines 1 through 3.

Education: Higher Education			Item 176 #3s
Richard Bland College	FY 04-05	FY 05-06	
	\$63,000	\$63,000	GF
	\$94,444	\$192,667	NGF

Language:

Page 146, line 34, strike “\$6,795,035” and insert “\$6,952,479”.

Page 146, line 34, strike “\$6,814,478” and insert “\$7,070,145”.

Page 143, line 44, insert:

“Out of this appropriation, \$63,000 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 176 #4s
Richard Bland College	FY 04-05	FY 05-06	
	\$44,445	\$82,052	GF
	\$39,290	\$72,536	NGF

Language:

Page 146, line 34, strike “\$6,795,035” and insert “\$6,878,770”.

Page 146, line 34, strike “\$6,814,478” and insert “\$6,969,066”.

Page 143, line 44, insert:

“B. Out of this appropriation, \$44,445 is provided in the first year and \$82,052 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment

and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 176 #5s
Richard Bland College	FY 04-05	FY 05-06	
	\$43,871	\$45,918	NGF

Language:

Page 146, line 34, strike “\$6,795,035” and insert “\$6,838,906”.

Page 146, line 34, strike “\$6,814,478” and insert “\$6,860,396”.

Education: Higher Education			Item 180 #4s
Virginia Institute Of Marine Science	FY 04-05	FY 05-06	
	\$373,627	\$373,627	GF

Language:

Page 147, line 30, strike “\$17,727,904” and insert “\$18,101,531”.

Page 147, line 30, strike “\$17,371,016” and insert “\$17,744,643”.

Page 148, strike lines 11 through 20.

Education: Higher Education			Item 180 #6s
Virginia Institute Of Marine Science	FY 04-05	FY 05-06	
	\$92,746	\$171,224	GF
	\$221,376	\$408,695	NGF

Language:

Page 147, line 30, strike “\$17,727,904” and insert “\$18,042,026”.

Page 147, line 30, strike “\$17,371,016” and insert “\$17,950,935”.

Page 148, line 21, insert:

“E. Out of this appropriation, \$92,746 is provided in the first year and \$171,224 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 182 #1s
George Mason University	FY 04-05	FY 05-06	
	\$139,352	\$150,200	GF
	\$129,703	\$139,800	NGF

Language:

Page 148, line 47, strike “\$215,677,704” and insert “\$215,946,759”.

Page 148, line 47, strike “\$215,490,073” and insert “\$215,780,073”.

Education: Higher Education			Item 182 #3s
George Mason University	FY 04-05	FY 05-06	
	\$3,260,000	\$3,260,000	NGF

Language:

Page 148, line 47, strike “\$215,677,704” and insert “\$218,937,704”.

Page 148, line 47, strike "\$215,490,073" and insert "\$218,750,073".

Education: Higher Education			Item 182 #4s
George Mason University	FY 04-05	FY 05-06	
	(\$3,642,662)	(\$4,021,514)	GF
	(\$352,622)	(\$705,244)	NGF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$211,682,420".

Page 148, line 47, strike "\$215,490,073" and insert "\$210,763,315".

Page 149, strike lines 28 through 39.

Education: Higher Education			Item 182 #5s
George Mason University	FY 04-05	FY 05-06	
	\$6,684,010	\$6,684,010	GF
	\$5,124,670	\$10,454,328	NGF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$227,486,384".

Page 148, line 47, strike "\$215,490,073" and insert "\$232,628,411".

Page 149, line 53, insert:

"F. Out of this appropriation, \$6,684,010 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Education: Higher Education			Item 182 #6s
George Mason University	FY 04-05	FY 05-06	
	\$0	\$1,346,942	GF
	\$0	\$1,022,256	NGF

Language:

Page 148, line 47, strike "\$215,490,073" and insert "\$217,859,271".

Education: Higher Education			Item 182 #7s
George Mason University			Language

Language:

Page 149, line 53, insert:

"F. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$119,748,761 in nongeneral funds the first year and \$127,453,945 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Education: Higher Education			Item 182 #8s
George Mason University	FY 04-05	FY 05-06	
	\$1,002,308	\$1,850,415	GF
	\$1,353,739	\$2,499,211	NGF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$218,033,751".

Page 148, line 47, strike "\$215,490,073" and insert "\$219,839,699".

Page 149, line 53, insert:

"F. Out of this appropriation, \$1,002,308 is provided in the first year and \$1,850,415 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Education: Higher Education
George Mason University

Item 182 #10s

Language

Language:

Page 149, line 46, strike "The"

Page 149, strike lines 47 through 52.

Education: Higher Education
George Mason University

Item 183 #1s

FY 04-05	FY 05-06	
\$140,482	\$140,482	GF

Language:

Page 149, line 53, strike "\$9,588,495" and insert "\$9,728,977".

Page 149, line 53, strike "\$9,588,495" and insert "\$9,728,977".

Education: Higher Education
James Madison University

Item 186 #2s

FY 04-05	FY 05-06	
(\$1,389,648)	(\$2,067,449)	GF
(\$931,412)	(\$1,862,825)	NGF

Language:

Page 150, line 31, strike "\$136,809,392" and insert "\$134,488,332".

Page 150, line 31, strike "\$138,108,694" and insert "\$134,178,420".

Page 150, strike lines 42 through 49.

Page 151, strike lines 1 through 4.

Education: Higher Education
James Madison University

Item 186 #3s

FY 04-05	FY 05-06	
\$6,531,007	\$6,531,007	GF
\$4,777,669	\$9,836,241	NGF

Language:

Page 150, line 31, strike "\$136,809,392" and insert "\$148,118,068".

Page 150, line 31, strike "\$138,108,694" and insert "\$154,475,942".

Page 151, line 13, insert:

"C. Out of this appropriation, \$6,531,007 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of

the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 186 #4s
James Madison University	FY 04-05	FY 05-06	
	\$0	\$1,088,860	GF
	\$0	\$1,238,158	NGF

Language:

Page 150, line 31, strike “\$138,108,694” and insert “\$140,435,712”.

Education: Higher Education			Item 186 #5s
James Madison University			
			Language

Language:

Page 151, line 13, insert:

“C. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$81,774,053 in nongeneral funds the first year and \$88,953,978 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue.”

Education: Higher Education			Item 186 #6s
James Madison University	FY 04-05	FY 05-06	
	\$536,834	\$991,078	GF
	\$1,041,988	\$1,923,671	NGF

Language:

Page 150, line 31, strike “\$136,809,392” and insert “\$138,388,214”.

Page 150, line 31, strike “\$138,108,694” and insert “\$141,023,443”.

Page 151, line 13, insert:

“C. Out of this appropriation, \$536,834 is provided in the first year and \$991,078 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 186 #7s
James Madison University	FY 04-05	FY 05-06	
	\$966,185	\$967,697	NGF

Language:

Page 150, line 31, strike “\$136,809,392” and insert “\$137,775,577”.

Page 150, line 31, strike “\$138,108,694” and insert “\$139,076,391”.

Education: Higher Education			Item 190 #4s
Longwood University	FY 04-05	FY 05-06	
	\$155,316	\$155,652	NGF

Language:

Page 151, line 48, strike "\$32,086,391" and insert "\$32,241,707".

Page 151, line 48, strike "\$32,427,726" and insert "\$32,583,378".

Education: Higher Education			Item 190 #5s
Longwood University	FY 04-05	FY 05-06	
	(\$546,620)	(\$745,351)	GF
	(\$147,601)	(\$295,203)	NGF

Language:

Page 151, line 48, strike "\$32,086,391" and insert "\$31,392,170".

Page 151, line 48, strike "\$32,427,726" and insert "\$31,387,172".

Page 152, strike lines 29 through 39.

Education: Higher Education			Item 190 #6s
Longwood University	FY 04-05	FY 05-06	
	\$3,282,745	\$3,282,745	GF
	\$588,335	\$1,200,203	NGF

Language:

Page 151, line 48, strike "\$32,086,391" and insert "\$35,957,471".

Page 151, line 48, strike "\$32,427,726" and insert "\$36,910,674".

Page 152, line 40, insert:

"F. Out of this appropriation, \$3,282,745 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Education: Higher Education			Item 190 #7s
Longwood University	FY 04-05	FY 05-06	
	\$0	\$513,199	GF
	\$0	\$284,856	NGF

Language:

Page 151, line 48, strike "\$32,427,726" and insert "\$33,225,781".

Education: Higher Education			Item 190 #8s
Longwood University			
			Language

Language:

Page 152, line 50, insert:

“F. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$14,542,951 in nongeneral funds the first year and \$15,589,831 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue.”

Education: Higher Education			Item 190 #9s
Longwood University	FY 04-05	FY 05-06	
	\$162,910	\$300,758	GF
	\$177,061	\$326,881	NGF

Language:

Page 151, line 48, strike “\$32,086,391” and insert “\$32,426,362”.

Page 151, line 48, strike “\$32,427,726” and insert “\$33,055,365”.

Page 152, line 40, insert:

“F. Out of this appropriation, \$162,910 is provided in the first year and \$300,758 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 191 #1s
Longwood University	FY 04-05	FY 05-06	
	\$109,472	\$109,472	GF

Language:

Page 152, line 40, strike “\$2,244,638” and insert “\$2,354,110”.

Page 152, line 40, strike “\$2,244,638” and insert “\$2,354,110”.

Education: Higher Education			Item 194 #3s
Mary Washington College	FY 04-05	FY 05-06	
	\$2,820,805	\$2,821,284	NGF

Language:

Page 153, line 24, strike “\$36,497,598” and insert “\$39,318,403”.

Page 153, line 24, strike “\$36,494,738” and insert “\$39,316,022”.

Education: Higher Education			Item 194 #4s
Mary Washington College	FY 04-05	FY 05-06	
	(\$409,437)	(\$409,437)	GF

Language:

Page 153, line 24, strike “\$36,497,598” and insert “\$36,088,161”.

Page 153, line 24, strike “\$36,494,738” and insert “\$36,085,301”.

Page 153, strike lines 35 through 44.

Education: Higher Education			Item 194 #5s
Mary Washington College	FY 04-05	FY 05-06	
	\$1,147,002	\$1,147,002	GF
	\$989,445	\$2,018,468	NGF

Language:

Page 153, line 24, strike "\$36,497,598" and insert "\$38,634,045".

Page 153, line 24, strike "\$36,494,738" and insert "\$39,660,208".

Page 154, line 1, insert:

"C. Out of this appropriation, \$1,147,002 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Education: Higher Education
Mary Washington College

Item 194 #6s

Language

Language:

Page 154, line 1, insert:

"C. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$22,538,396 in nongeneral funds the first year and \$23,793,475 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Education: Higher Education
Mary Washington College

Item 194 #7s

FY 04-05	FY 05-06	
\$156,959	\$289,771	GF
\$266,590	\$492,166	NGF

Language:

Page 153, line 24, strike "\$36,497,598" and insert "\$36,921,147".

Page 153, line 24, strike "\$36,494,738" and insert "\$37,276,675".

Page 154, line 1, insert:

"C. Out of this appropriation, \$156,959 is provided in the first year and \$289,771 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Education: Higher Education
Mary Washington College

Item 195 #1s

FY 04-05	FY 05-06	
\$25,324	\$25,324	GF

Language:

Page 154, line 1, strike "\$1,016,397" and insert "\$1,041,721".

Page 154, line 1, strike "\$1,016,397" and insert "\$1,041,721".

Education: Higher Education
Mary Washington College

Item 198 #1s

FY 04-05	FY 05-06	
\$100,000	\$100,000	GF

Language:

Page 154, line 22, strike "\$202,575" and insert "\$302,575".
 Page 154, line 22, strike "\$202,575" and insert "\$302,575".

Education: Higher Education			Item 200 #1s
Norfolk State University	FY 04-05	FY 05-06	
	\$0	\$333,757	GF
	\$0	\$364,108	NGF

Language:

Page 155, line 14, strike "\$69,247,068" and insert "\$69,944,933".

Education: Higher Education			Item 200 #2s
Norfolk State University	FY 04-05	FY 05-06	
	(\$85,400)	(\$85,400)	GF
	\$0	\$0	NGF

Language:

Page 155, line 14, strike "\$68,890,053" and insert "\$68,804,653".
 Page 155, line 14, strike "\$69,247,068" and insert "\$69,161,668".
 Page 156, strike lines 37 through 46.

Education: Higher Education			Item 200 #3s
Norfolk State University			
			Language

Language:

Page 156, line 47, insert:
 "H. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$31,320,780 in nongeneral funds the first year and \$34,995,787 in nongeneral funds the second year in tuition and mandatory educational and general fee revenue."

Education: Higher Education			Item 200 #4s
Norfolk State University	FY 04-05	FY 05-06	
	\$33,384	(\$401,866)	GF
	\$0	\$401,866	NGF

Language:

Page 155, line 14, strike "\$68,890,053" and insert "\$68,923,437".

Education: Higher Education			Item 200 #5s
Norfolk State University	FY 04-05	FY 05-06	
	\$254,988	\$470,748	GF
	\$451,567	\$833,662	NGF

Language:

Page 155, line 14, strike "\$68,890,053" and insert "\$69,596,608".
 Page 155, line 14, strike "\$69,247,068" and insert "\$70,551,478".
 Page 156, line 47, insert:
 "H. Out of this appropriation, \$254,988 is provided in the first year and \$470,748 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent

salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 204 #4s
Old Dominion University	FY 04-05	FY 05-06	
	\$2,043,744	\$2,045,257	NGF

Language:

Page 157, line 26, strike “\$145,939,158” and insert “\$147,982,902”.

Page 157, line 26, strike “\$149,163,120” and insert “\$151,208,377”.

Education: Higher Education			Item 204 #5s
Old Dominion University	FY 04-05	FY 05-06	
	(\$4,386,981)	(\$6,408,254)	GF
	(\$2,008,944)	(\$4,017,887)	NGF

Language:

Page 157, line 26, strike “\$145,939,158” and insert “\$139,543,233”.

Page 157, line 26, strike “\$149,163,120” and insert “\$138,736,979”.

Page 158, strike lines 51 through 55.

Page 159, strike lines 1 through 7.

Education: Higher Education			Item 204 #6s
Old Dominion University	FY 04-05	FY 05-06	
	\$11,660,544	\$11,660,544	GF
	\$2,827,035	\$5,767,152	NGF

Language:

Page 157, line 26, strike “\$145,939,158” and insert “\$160,426,737”.

Page 157, line 26, strike “\$149,163,120” and insert “\$166,590,816”.

Page 159, line 21, insert:

“K. Out of this appropriation, \$11,660,544 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 204 #7s
Old Dominion University			
			Language

Language:

Page 159, line 21, insert:

“K. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$67,045,899 in nongeneral funds the first year and \$70,743,624 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue.”

Education: Higher Education			Item 204 #8s
Old Dominion University	FY 04-05	FY 05-06	
	\$623,720	\$1,151,484	GF
	\$893,567	\$1,649,662	NGF

Language:

Page 157, line 26, strike “\$145,939,158” and insert “\$147,456,445”.

Page 157, line 26, strike “\$149,163,120” and insert “\$151,964,266”.

Page 159, line 21, insert:

“K. Out of this appropriation, \$623,720 is provided in the first year and \$1,151,484 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 204 #10s
Old Dominion University			
			Language

Language:

Page 159, line 14, strike “The”

Page 159, strike lines 15 through 20.

Education: Higher Education			Item 205 #1s
Old Dominion University	FY 04-05	FY 05-06	
	\$248,240	\$248,240	GF

Language:

Page 159, line 21, strike “\$9,598,779” and insert “\$9,847,019”.

Page 159, line 21, strike “\$9,598,779” and insert “\$9,847,019”.

Education: Higher Education			Item 208 #5s
Radford University	FY 04-05	FY 05-06	
	\$648,189	\$648,942	NGF

Language:

Page 160, line 25, strike “\$64,460,612” and insert “\$65,108,801”.

Page 160, line 25, strike “\$65,754,529” and insert “\$66,403,471”.

Education: Higher Education			Item 208 #6s
Radford University	FY 04-05	FY 05-06	
	(\$787,986)	(\$1,484,543)	GF
	(\$630,828)	(\$1,261,657)	NGF

Language:

Page 160, line 25, strike “\$64,460,612” and insert “\$63,041,798”.

Page 160, line 25, strike “\$65,754,529” and insert “\$63,008,329”.

Page 160, strike lines 40 through 50.

Education: Higher Education			Item 208 #7s
Radford University	FY 04-05	FY 05-06	
	\$5,571,645	\$5,571,645	GF
	\$1,214,496	\$2,477,573	NGF

Language:

Page 160, line 25, strike “\$64,460,612” and insert “\$71,246,753”.

Page 160, line 25, strike “\$65,754,529” and insert “\$73,803,747”.

Page 161, line 4, insert:

“D. Out of this appropriation, \$5,571,645 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 208 #8s
Radford University			Language

Language:

Page 161, line 4, insert:

“D. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$30,611,506 in nongeneral funds the first year and \$32,223,653 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue.”

Education: Higher Education			Item 208 #9s
Radford University	FY 04-05	FY 05-06	
	\$311,173	\$574,473	GF
	\$411,649	\$759,967	NGF

Language:

Page 160, line 25, strike “\$64,460,612” and insert “\$65,183,434”.

Page 160, line 25, strike “\$65,754,529” and insert “\$67,088,969”.

Page 161, line 4, insert:

“D. Out of this appropriation, \$311,173 is provided in the first year and \$574,473 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 208 #10s
Radford University	FY 04-05	FY 05-06	
	(\$75,000)	(\$50,000)	GF

Language:

Page 160, line 25, strike "\$64,460,612" and insert "\$64,385,612".

Page 160, line 25, strike "\$65,754,529" and insert "\$65,704,529".

Page 160, strike lines 51 through 54.

Page 161, strike lines 1-3.

Education: Higher Education			Item 209 #1s
Radford University	FY 04-05	FY 05-06	
	\$417,186	\$417,186	GF

Language:

Page 161, line 4, strike "\$4,290,215" and insert "\$4,707,401".

Page 161, line 4, strike "\$4,290,215" and insert "\$4,707,401".

Education: Higher Education			Item 212 #1s
Southwest Virginia Higher Education Center	FY 04-05	FY 05-06	
	3.00	3.00	FTE

Language:

Education: Higher Education			Item 212 #2s
Southwest Virginia Higher Education Center			
			Language

Language:

Page 161, strike lines 42 through 47.

Education: Higher Education			Item 212 #3s
Southwest Virginia Higher Education Center	FY 04-05	FY 05-06	
	\$135,292	\$135,292	GF

Language:

Page 161, line 37, strike "\$1,875,458" and insert "\$2,010,750".

Page 161, line 37, strike "\$1,875,753" and insert "\$2,011,045".

Education: Higher Education			Item 213 #5s
University Of Virginia			
			Language

Language:

Page 164, line 55, strike "Such reserve funds"

Page 164, strike lines 56 and 58.

Page 164, line 55, after "revenues.", insert: "Annual contributions to such reserve funds shall not exceed two percent of the asset value of the educational and general buildings constructed with nongeneral fund revenues for which such reserves are established."

Page 165, line 10, insert:

"4. In reviewing the financial and administrative relationships between the Commonwealth and its public higher education institutions, the joint subcommittee established pursuant to Senate Joint

Resolution 90 of the 2004 General Assembly shall review and make recommendation on whether the interest earned in this account should be retained by the University.”

Education: Higher Education
University Of Virginia

Item 213 #8s

Language

Language:

Page 165, line 35, insert:

“O. In conjunction with Senate Joint Resolution 90 of the 2004 General Assembly, the University of Virginia may pursue the development of a prototype charter agreement to present to the joint subcommittee for its consideration in studying the administrative and financial relationships between the Commonwealth and its public institutions of higher education.”

Education: Higher Education
University Of Virginia

Item 213 #9s

Language

Language:

Page 165, line 35, insert:

“O. Out of this appropriation, \$69,000 is provided each year from the general fund and \$53,189 is provided each year from nongeneral funds in support of the State Arboretum at Blandy Farm.”

Education: Higher Education
University Of Virginia

Item 213 #10s

Language

Language:

Page 165, line 35, insert:

“O. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$216,504,154 in nongeneral funds the first year and \$229,001,949 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue.”

Education: Higher Education
University Of Virginia

Item 213 #11s

	FY 04-05	FY 05-06	
	\$7,686,315	\$7,686,315	GF
	\$9,273,040	\$18,917,002	NGF

Language:

Page 162, line 8, strike “\$362,362,301” and insert “\$379,321,656”.

Page 162, line 8, strike “\$372,357,689” and insert “\$398,961,006”.

Page 165, line 35, insert:

“O.1. Out of this appropriation, \$7,686,315 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.

2. Out of this appropriation, the University may allocate funds to attract and retain distinguished faculty clinicians associated with the School of Medicine and the University's related health professional programs."

Education: Higher Education			Item 213 #12s
University Of Virginia	FY 04-05	FY 05-06	
	(\$721,675)	(\$943,349)	GF
	(\$377,892)	(\$755,783)	NGF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$361,262,734".

Page 162, line 8, strike "\$372,357,689" and insert "\$370,658,557".

Page 165, strike lines 10 through 21.

Education: Higher Education			Item 213 #13s
University Of Virginia	FY 04-05	FY 05-06	
	\$1,128,517	\$2,083,416	GF
	\$2,731,780	\$5,043,286	NGF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$366,222,598".

Page 162, line 8, strike "\$372,357,689" and insert "\$379,484,391".

Page 165, line 35, insert:

"O. Out of this appropriation, \$1,128,517 is provided in the first year and \$2,083,416 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Education: Higher Education			Item 213 #14s
University Of Virginia	FY 04-05	FY 05-06	
	\$0	\$333,653	GF
	\$0	\$501,606	NGF

Language:

Page 162, line 8, strike "\$372,357,689" and insert "\$373,192,948".

Education: Higher Education			Item 213 #15s
University Of Virginia	FY 04-05	FY 05-06	
	\$21,867	\$44,843	GF
	(\$22,097)	\$11,844	NGF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$362,362,071".

Page 162, line 8, strike "\$372,357,689" and insert "\$372,414,376".

Education: Higher Education			Item 213 #16s
University Of Virginia	FY 04-05	FY 05-06	
	(\$11,200,000)	(\$23,000,000)	NGF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$351,162,301".

Page 162, line 8, strike "\$372,357,689" and insert "\$349,357,689".

Education: Higher Education
University Of Virginia

Item 213 #17s

Language

Language:

Page 165, line 28, strike "The"

Page 165, strike lines 29 through 34.

Education: Higher Education
University Of Virginia's College At Wise

Item 221 #3s

Language

Language:

Page 168, line 1, insert:

"B. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$4,999,436 in nongeneral funds the first year and \$5,436,120 in nongeneral funds the second year in tuition and mandatory educational and general fee revenue."

Education: Higher Education
University Of Virginia's College At
Wise

Item 221 #4s

FY 04-05	FY 05-06	
\$465,000	\$465,000	GF
\$280,341	\$576,762	NGF

Language:

Page 167, line 32, strike "\$14,138,535" and insert "\$14,883,876".

Page 167, line 32, strike "\$14,135,756" and insert "\$15,177,518".

Page 168, line 1, insert:

"B. Out of this appropriation, \$465,000 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Education: Higher Education
University Of Virginia's College At
Wise

Item 221 #5s

FY 04-05	FY 05-06	
(\$221,112)	(\$221,112)	GF
\$0	\$0	NGF

Language:

Page 167, line 32, strike "\$14,138,535" and insert "\$13,917,423".

Page 167, line 32, strike "\$14,135,756" and insert "\$13,914,644".

Page 167, strike lines 42 through 51.

Education: Higher Education			Item 221 #6s
University Of Virginia's College At	FY 04-05	FY 05-06	
Wise	\$76,960	\$142,080	GF
	\$77,461	\$143,004	NGF

Language:

Page 167, line 32, strike "\$14,138,535" and insert "\$14,292,956".

Page 167, line 32, strike "\$14,135,756" and insert "\$14,420,840".

Page 168, line 1, insert:

"B. Out of this appropriation, \$76,960 is provided in the first year and \$142,080 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Education: Higher Education			Item 221 #7s
University Of Virginia's College At	FY 04-05	FY 05-06	
Wise	\$0	\$127,566	GF
	\$0	\$74,554	NGF

Language:

Page 167, line 32, strike "\$14,135,756" and insert "\$14,337,876".

Education: Higher Education			Item 221 #9s
University Of Virginia's College At	FY 04-05	FY 05-06	
Wise	\$96,886	\$97,052	NGF

Language:

Page 167, line 32, strike "\$14,138,535" and insert "\$14,235,421".

Page 167, line 32, strike "\$14,135,756" and insert "\$14,232,808".

Education: Higher Education			Item 222 #1s
University Of Virginia's College At	FY 04-05	FY 05-06	
Wise	\$206,795	\$206,795	GF

Language:

Page 168, line 1, strike "\$893,115" and insert "\$1,099,910".

Page 168, line 1, strike "\$893,115" and insert "\$1,099,910".

Education: Higher Education			Item 225 #2s
Virginia Commonwealth University			
			Language

Language:

Page 169, line 39, strike "\$137,500" and insert "\$262,500".

Page 169, line 40, strike "\$137,500" and insert "\$262,500".

Education: Higher Education			Item 225 #5s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$1,700,000	\$1,700,000	GF

Language:

Page 168, line 43, strike "\$316,689,832" and insert "\$318,389,832".

Page 168, line 43, strike "\$328,929,473" and insert "\$330,629,473".

Page 169, line 7, strike "\$5,146,343" and insert "\$7,246,343".

Page 169, line 8, strike "\$5,146,343" and insert "\$7,246,343".

Education: Higher Education			Item 225 #6s
Virginia Commonwealth University			
			Language

Language:

Page 169, line 21, insert:

"4. In the event the Governor imposes across-the-board general fund reductions, pursuant to his executive authority in §4-1.04 of this act, the General Fund appropriation for the Family Practice programs shall be exempt from any reductions provided the general fund appropriation for the family practice program is excluded from the total general fund appropriation for Virginia Commonwealth University for purposes of determining the University's portion of the statewide general fund reduction requirement."

Education: Higher Education			Item 225 #10s
Virginia Commonwealth University			
			Language

Language:

Page 173, line 8, insert:

"Q. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$137,593,464 in nongeneral funds the first year and \$147,641,295 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Education: Higher Education			Item 225 #11s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$14,086,902	\$14,086,902	GF
	\$6,469,808	\$13,263,107	NGF

Language:

Page 168, line 43, strike "\$316,689,832" and insert "\$337,246,542".

Page 168, line 43, strike "\$328,929,473" and insert "\$356,279,482".

Page 173, line 8, insert:

"Q. Out of this appropriation, \$14,086,902 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate,

and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 225 #12s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	(\$1,703,325)	(\$1,956,251)	GF
	(\$200,573)	(\$441,145)	NGF

Language:

Page 168, line 43, strike “\$316,689,832” and insert “\$314,785,934”.

Page 168, line 43, strike “\$328,929,473” and insert “\$326,532,077”.

Page 172, strike lines 41 through 52.

Education: Higher Education			Item 225 #13s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$1,521,646	\$2,809,193	GF
	\$2,042,941	\$3,771,584	NGF

Language:

Page 168, line 43, strike “\$316,689,832” and insert “\$320,254,419”.

Page 168, line 43, strike “\$328,929,473” and insert “\$335,510,250”.

Page 173, line 8, insert:

“Q. Out of this appropriation, \$1,521,646 is provided in the first year and \$2,809,193 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 225 #14s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$0	\$1,956,961	GF
	\$0	\$1,394,117	NGF

Language:

Page 168, line 43, strike “\$328,929,473” and insert “\$332,280,551”.

Education: Higher Education			Item 225 #16s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$0	\$55,000	GF
	\$0	\$83,794	NGF

Language:

Page 168, line 43, strike “\$328,929,473” and insert “\$329,068,267”.

Education: Higher Education			Item 225 #17s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	(\$7,897,781)	(\$17,701,279)	NGF

Language:

Page 168, line 43, strike “\$316,689,832” and insert “\$308,792,051”.

Page 168, line 43, strike "\$328,929,473" and insert "\$311,228,194".

Education: Higher Education			Item 225 #18s
Virginia Commonwealth University			
			Language

Language:

Page 173, line 1, strike "The"
Page 173, strike lines 2 through 7.

Education: Higher Education			Item 226 #1s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$16,913	\$16,913	GF

Language:

Page 173, line 8, strike "\$11,599,345" and insert "\$11,616,258".
Page 173, line 8, strike "\$11,599,345" and insert "\$11,616,258".

Education: Higher Education			Item 230 #2s
Virginia Community College System	FY 04-05	FY 05-06	
	\$1,364,726	\$1,364,726	GF
	\$725,206	\$725,206	NGF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$509,071,271".
Page 174, line 20, strike "\$517,392,172" and insert "\$519,482,104".

Education: Higher Education			Item 230 #3s
Virginia Community College System	FY 04-05	FY 05-06	
	\$433,567	\$433,567	GF
	\$546,433	\$546,433	NGF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$507,961,339".
Page 174, line 20, strike "\$517,392,172" and insert "\$518,372,172".
Page 178, line 27, insert:
"T. This appropriation includes \$433,567 each year from the general fund and \$546,433 in each year from nongeneral funds for the annual lease or debt service costs of academic space in Fairfax County."

Education: Higher Education			Item 230 #5s
Virginia Community College System			
			Language

Language:

Page 465, after line 44, insert:
"Sale or lease of interest in real property granted by purchase, deed or gift; the State Board for Community Colleges shall be authorized to lease, sell, or convey any interest it may have in real property that has been or may hereafter be acquired by purchase, will or deed of gift provided that the terms of the lease, sale or conveyance have been reviewed by the Department of General Services to ensure that a fair market value for the use or purchase of the property has been agreed to by all parties. Notwithstanding any other provisions of law, all proceeds from such leases, sales and

conveyances shall be held, used and administered by the Virginia Community College System in the same manner as all other gifts and bequests are held, used and administered.”.

Education: Higher Education			Item 230 #12s
Virginia Community College System	FY 04-05	FY 05-06	
	\$288,560	\$381,168	GF
	\$36,356	\$112,181	NGF

Language:

Page 174, line 20, strike “\$506,981,339” and insert “\$507,306,255”.

Page 174, line 20, strike “\$517,392,172” and insert “\$517,885,521”.

Education: Higher Education			Item 230 #13s
Virginia Community College System	FY 04-05	FY 05-06	
	\$433,566	\$433,566	GF
	\$546,434	\$546,434	NGF

Language:

Page 174, line 20, strike “\$506,981,339” and insert “\$507,961,339”.

Page 174, line 20, strike “\$517,392,172” and insert “\$518,372,172”.

Page 178, line 27, insert:

“T. This appropriation includes \$433,566 each year from the general fund and \$546,434 in each year from nongeneral funds for the annual lease or debt service costs of academic space in the Arlington/Alexandria area.”

Education: Higher Education			Item 230 #14s
Virginia Community College System			

Language

Language:

Page 178, line 27, insert:

“T. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$202,132,774 in nongeneral funds the first year and \$217,051,810 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue.”

Education: Higher Education			Item 230 #15s
Virginia Community College System	FY 04-05	FY 05-06	
	\$32,525,702	\$32,525,702	GF
	\$8,734,934	\$17,906,614	NGF

Language:

Page 174, line 20, strike “\$506,981,339” and insert “\$548,241,975”.

Page 174, line 20, strike “\$517,392,172” and insert “\$567,824,488”.

Page 178, line 27, insert:

“T. Out of this appropriation, \$32,525,702 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate,

and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 230 #16s
Virginia Community College System	FY 04-05	FY 05-06	
	(\$14,503,553)	(\$20,885,499)	GF
	(\$3,384,793)	(\$6,769,586)	NGF

Language:

Page 174, line 20, strike “\$506,981,339” and insert “\$489,092,993”.

Page 174, line 20, strike “\$517,392,172” and insert “\$489,737,087”.

Page 175, strike lines 2 through 13.

Education: Higher Education			Item 230 #17s
Virginia Community College System	FY 04-05	FY 05-06	
	\$2,353,291	\$4,344,537	GF
	\$2,272,410	\$4,195,218	NGF

Language:

Page 174, line 20, strike “\$506,981,339” and insert “\$511,607,040”.

Page 174, line 20, strike “\$517,392,172” and insert “\$525,931,927”.

Page 162, line 35, insert:

“O. Out of this appropriation, \$2,353,291 is provided in the first year and \$4,344,537 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 230 #18s
Virginia Community College System	FY 04-05	FY 05-06	
	\$0	\$5,899,010	GF
	\$0	\$3,527,642	NGF

Language:

Page 174, line 20, strike “\$517,392,172” and insert “\$526,818,824”.

Education: Higher Education			Item 230 #20s
Virginia Community College System	FY 04-05	FY 05-06	
	\$4,547,805	\$4,547,805	NGF

Language:

Page 174, line 20, strike “\$506,981,339” and insert “\$511,529,144”.

Page 174, line 20, strike “\$517,392,172” and insert “\$521,939,977”.

Education: Higher Education			Item 231 #1s
Virginia Community College System	FY 04-05	FY 05-06	
	\$1,418,598	\$1,418,598	GF

Language:

Page 178, line 27, strike “\$71,178,055” and insert “\$72,596,653”.

Page 178, line 27, strike "\$71,178,055" and insert "\$72,596,653".

Education: Higher Education			Item 237 #1s
Virginia Military Institute			
			Language

Language:

Page 180, line 1, insert:

"B. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$14,315,824 in nongeneral funds the first year and \$15,091,081 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Education: Higher Education			Item 237 #2s
Virginia Military Institute			
	FY 04-05	FY 05-06	
	(\$89,707)	(\$145,564)	GF
	(\$606,835)	(\$606,835)	NGF

Language:

Page 179, line 32, strike "\$23,286,222" and insert "\$22,589,680".

Page 179, line 32, strike "\$23,287,948" and insert "\$22,535,549".

Page 179, strike lines 43 through 53.

Education: Higher Education			Item 237 #4s
Virginia Military Institute			
	FY 04-05	FY 05-06	
	\$66,015	\$121,872	GF
	\$188,219	\$347,481	NGF

Language:

Page 179, line 32, strike "\$23,286,222" and insert "\$23,540,456".

Page 179, line 32, strike "\$23,287,948" and insert "\$23,757,301".

Page 180, line 1, insert:

"B. Out of this appropriation, \$66,015 is provided in the first year and \$121,872 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Education: Higher Education			Item 237 #5s
Virginia Military Institute			
	FY 04-05	FY 05-06	
	\$1,608,737	\$2,224,732	NGF

Language:

Page 179, line 32, strike "\$23,286,222" and insert "\$24,894,959".

Page 179, line 32, strike "\$23,287,948" and insert "\$25,512,680".

Education: Higher Education			Item 238 #1s
Virginia Military Institute			
	FY 04-05	FY 05-06	
	\$23,692	\$23,692	GF

Language:

Page 180, line 1, strike "\$798,494" and insert "\$822,186".

Page 180, line 1, strike "\$798,494" and insert "\$822,186".

Education: Higher Education
Virginia Military Institute

Item 240 #1s

Language

Language:

Page 180, line 40, strike "\$204,201" and insert "\$199,660".

Page 180, line 41, strike "\$1,199,503" and insert "\$1,172,824".

Education: Higher Education
Virginia Polytechnic Institute And State University

Item 242 #1s

Language

Language:

Page 182, line 51, insert:

"J. In conjunction with Senate Joint Resolution 90 of the 2004 General Assembly, Virginia Polytechnic Institute and State University may pursue the development of a prototype charter agreement to present to the joint subcommittee for its consideration in studying the administrative and financial relationships between the Commonwealth and its public institutions of higher education."

Education: Higher Education
Virginia Polytechnic Institute And State University

Item 242 #2s

Language

Language:

Page 182, line 51, insert:

"J. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$188,136,345 in nongeneral funds the first year and \$199,897,309 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Education: Higher Education
Virginia Polytechnic Institute And State
University

Item 242 #3s

	FY 04-05	FY 05-06	
	\$8,221,211	\$8,221,211	GF
	\$8,638,192	\$17,708,294	NGF

Language:

Page 181, line 28, strike "\$362,411,049" and insert "\$379,270,452".

Page 181, line 28, strike "\$361,243,110" and insert "\$387,172,615".

Page 182, line 51, insert:

"J. Out of this appropriation, \$8,221,211 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate,

and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 242 #4s
Virginia Polytechnic Institute And State University	FY 04-05 (\$513,276) (\$657,842)	FY 05-06 (\$976,551) (\$1,315,685)	GF NGF

Language:

Page 181, line 28, strike “\$362,411,049” and insert “\$361,239,931”.
 Page 181, line 28, strike “\$361,243,110” and insert “\$358,950,874”.
 Page 182, strike lines 26 through 37.

Education: Higher Education			Item 242 #5s
Virginia Polytechnic Institute And State University	FY 04-05 \$1,234,679 \$2,233,194	FY 05-06 \$2,279,408 \$5,081,469	GF NGF

Language:

Page 181, line 28, strike “\$362,411,049” and insert “\$365,878,922”.
 Page 181, line 28, strike “\$361,243,110” and insert “\$368,603,987”.
 Page 182, line 51, insert:
 “J. Out of this appropriation, \$1,234,679 is provided in the first year and \$2,279,408 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 242 #6s
Virginia Polytechnic Institute And State University	FY 04-05 (\$2,466,505)	FY 05-06 (\$2,740,891)	NGF

Language:

Page 181, line 28, strike “\$362,411,049” and insert “\$359,944,544”.
 Page 181, line 28, strike “\$361,243,110” and insert “\$358,502,219”.

Education: Higher Education			Item 242 #7s
Virginia Polytechnic Institute And State University			Language

Language:

Page 182, line 44, strike “The”
 Page 182, strike lines 45 through 50.

Education: Higher Education			Item 246 #1s
Virginia Cooperative Extension And Agricultural Experiment Station	FY 04-05 \$2,089,286 39.00	FY 05-06 \$2,089,286 39.00	GF FTE

Language:

Page 184, line 39, strike "\$71,748,805" and insert "\$73,838,091".

Page 184, line 39, strike "\$72,023,805" and insert "\$74,113,091".

Education: Higher Education

Item 246 #3s

Virginia Cooperative Extension And Agricultural Experiment Station

Language

Language:

Page 185, strike the remainder of line 22, after "profitability."

Page 185, strike lines 23 through 26.

Education: Higher Education

Item 246 #4s

Virginia Cooperative Extension And

FY 04-05

FY 05-06

Agricultural Experiment Station

\$628,440

\$1,160,197

GF

\$170,102

\$314,034

NGF

Language:

Page 184, line 39, strike "\$71,748,805" and insert "\$72,547,347".

Page 184, line 39, strike "\$72,023,805" and insert "\$73,498,036".

Page 185, line 27, insert:

"E. Out of this appropriation, \$628,440 is provided in the first year and \$1,160,197 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Education: Higher Education

Item 247 #2s

Virginia State University

Language

Language:

Page 187, line 1, insert:

"E. With approval from the Secretary of Education, Virginia State University is authorized to implement upgrades to the campus administrative system from nongeneral fund resources, including tuition and fee revenue."

Education: Higher Education

Item 247 #3s

Virginia State University

FY 04-05

FY 05-06

(\$187,000)

\$0

GF

Language:

Page 185, line 43, strike "\$46,022,902" and insert "\$45,835,902".

Page 186, line 41, after "facilities", strike "." and insert:

“, and costs associated with upgrading the campus telecommunications network.”

Education: Higher Education

Item 247 #4s

Virginia State University

Language

Language:

Page 187, line 1, insert:

“E. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$21,536,648 in nongeneral funds the first year and \$24,278,188 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue.”

Education: Higher Education			Item 247 #5s
Virginia State University	FY 04-05	FY 05-06	
	\$536,564	\$536,564	GF
	\$1,661,721	\$3,456,380	NGF

Language:

Page 185, line 43, strike “\$46,022,902” and insert “\$48,221,187”.

Page 185, line 43, strike “\$45,978,142” and insert “\$49,971,086”.

Page 187, line 1, insert:

“E. Out of this appropriation, \$536,564 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 247 #6s
Virginia State University	FY 04-05	FY 05-06	
	(\$319,038)	(\$319,038)	GF

Language:

Page 185, line 43, strike “\$46,022,902” and insert “\$45,703,864”.

Page 185, line 43, strike “\$45,978,142” and insert “\$45,659,104”.

Page 185, strike lines 44 through 53.

Education: Higher Education			Item 247 #7s
Virginia State University	FY 04-05	FY 05-06	
	\$160,526	\$296,355	GF
	\$329,227	\$607,803	NGF

Language:

Page 185, line 43, strike “\$46,022,902” and insert “\$46,512,655”.

Page 185, line 43, strike “\$45,978,142” and insert “\$46,882,300”.

Page 187, line 1, insert:

“E. Out of this appropriation, \$160,526 is provided in the first year and \$296,355 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment

and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 247 #8s
Virginia State University	FY 04-05	FY 05-06	
	\$0	\$553,524	GF
	\$0	667,555	NGF

Language:

Page 185, line 43, strike “\$45,978,142” and insert “\$47,199,221”.

Education: Higher Education			Item 247 #9s
Virginia State University	FY 04-05	FY 05-06	
	\$329,757	\$329,757	GF

Language:

Page 185, line 43, strike “\$46,022,902” and insert “\$46,352,659”.

Page 185, line 43, strike “\$45,978,142” and insert “\$46,307,899”.

Education: Higher Education			Item 247 #10s
Virginia State University	FY 04-05	FY 05-06	
	(\$114,672)	(\$348,461)	GF
	\$114,672	\$348,461	NGF

Language:

Education: Higher Education			Item 247 #11s
Virginia State University	FY 04-05	FY 05-06	
	\$1,525,854	\$1,519,763	NGF

Language:

Page 185, line 43, strike “\$46,022,902” and insert “\$47,548,756”.

Page 185, line 43, strike “\$45,978,142” and insert “\$47,497,905”.

Education: Higher Education			Item 251 #1s
Cooperative Extension And Agricultural Research Services	FY 04-05	FY 05-06	
	\$20,117	\$37,138	GF
	\$741	\$1,368	NGF

Language:

Page 187, line 34, strike “\$7,275,641” and insert “\$7,296,499”.

Page 187, line 34, strike “\$8,083,452” and insert “\$8,121,958”.

Page 188, line 18, insert:

“D. Out of this appropriation, \$20,117 is provided in the first year and \$37,138 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment

and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Other			Item 254 #2s
Jamestown-Yorktown Foundation	FY 04-05	FY 05-06	
	\$153,000	\$362,000	GF
	\$153,000	\$362,000	NGF
	3.00	7.00	FTE

Language:

Page 189, line 14, strike “\$12,086,638” and insert “\$12,392,638”.

Page 189, line 14, strike “\$12,216,411” and insert “\$12,940,411”.

Education: Other			Item 255 #1s
Jamestown 2007			
			Language

Language:

Page 192, after line 18, insert:

“G. Except as provided otherwise in this paragraph, the provisions of the Virginia Public Procurement Act (§ 2.2-4300 et seq., Code of Virginia) shall not apply to the expenditure of funds from the Virginia 400th Anniversary Fund. However, the provisions of this paragraph shall not be effective until such time as the Board of Trustees of the Jamestown-Yorktown Foundation has adopted guidelines generally applicable to the procurement of goods and services by the Jamestown-Yorktown Foundation and Jamestown 2007 through the expenditure of funds from the Virginia 400th Anniversary Fund. The guidelines shall implement a system of competitive negotiation for professional services; shall prohibit discrimination because of race, religion, color, sex or national origin of the bidder or offeror in the solicitation or award of contracts; may take into account in all cases the dollar amount of the intended procurement, the term of the anticipated contract, and the likely extent of competition; may implement a prequalification procedure for contractors or products; may include provisions for cooperative procurement arrangements; shall incorporate the prompt payment principles of §§ 2.2-4350 and 2.2-4354, Code of Virginia; and may implement provisions of law. The following sections of the Virginia Public Procurement Act shall continue to apply to procurement by the Jamestown-Yorktown Foundation and Jamestown 2007 with funds from the Virginia 400th Anniversary Fund: §§ 2.2-4311, 2.2-4315, 2.2-4330, 2.2-4333 through 2.2-4338, 2.2-4340 through 2.2-4342, and 2.2-4367 through 2.2-4377, Code of Virginia.”

Education: Other			Item 259 #1s
The Library Of Virginia	FY 04-05	FY 05-06	
	\$250,000	\$250,000	GF

Language:

Page 194, line 1, strike “\$16,191,477” and insert “\$16,441,477”.

Page 194, line 1, strike “\$16,191,477” and insert “\$16,441,477”.

Education: Other			Item 260 #1s
The Library Of Virginia			
			Language

Language:

Page 194, strike lines 14-18.

Education: Other			Item 262 #1s
Virginia Commission For The Arts			
			Language

Language:

Page 195, strike lines 27 through 33.

Education: Other			Item 264 #1s
Virginia Museum Of Fine Arts			
			Language

Language:

Page 196, line 27, insert:

“D. Notwithstanding any other provisions of law, the payment to the City of Richmond for payment in lieu of taxes for FY 2005 and FY 2006 shall not exceed \$158,513.”

Education: Higher Education			Item 265 #2s
Eastern Virginia Medical School	FY 04-05	FY 05-06	
	\$370,481	\$370,481	GF

Language:

Page 196, line 36, strike “\$11,847,875” and insert “\$12,218,356”.

Page 196, line 36, strike “\$11,847,875” and insert “\$12,218,356”.

Education: Higher Education			Item 267 #1s
Institute For Advanced Learning And Research	FY 04-05	FY 05-06	
	\$2,080,839	\$2,080,839	GF

Language:

Page 198, line 39, strike “\$1,521,681” and insert “\$3,602,520”.

Page 198, line 39, strike “\$1,521,681” and insert “\$3,602,520”.

Page 198, line 45, strike “\$1,521,681 in the first year and \$1,521,681 in the second year” and insert “\$3,062,520 in the first year and \$5,609,281 in the second year”

Education: Higher Education			Item 268 #1s
Roanoke Higher Education Authority	FY 04-05	FY 05-06	
	\$179,463	\$179,463	GF

Language:

Page 199, line 21, strike “\$618,075” and insert “\$797,538”.

Page 199, line 21, strike “\$618,075” and insert “\$797,538”.

Education: Higher Education			Item 269 #1s
Southeastern Universities Research Association, Incorporated	FY 04-05	FY 05-06	
	\$0	\$0	GFLanguage

Language:

Page 200, line 19, insert "C. Pursuant to Item 506 F. of this Act, a three-year grant totaling \$500,000 each year shall be provided to the Authority through the Commonwealth Technology Research Fund to support the development of the Hampton Roads Research Institute."

Education: Higher Education Item 270 #1s
 Virginia College Building Authority Language

Language:

Page 201, lines 30 and 31, strike "\$52,168,843" and insert "\$53,668,843"
 Page 202, line 4, strike "\$500,000" in each year and insert "\$2,000,000" in each year.

Finance Item 272 #2s
 Department Of Accounts Language

Language:

Page 203, line 43, strike "The" and insert "A.The"
 Page 203, after line 46, insert:
 "B. As a condition of the appropriation in this item, the Department shall provide to the Chairmen of the House Appropriations and Senate Finance Committees the expenditure and revenue reports necessary for timely legislative oversight of state finances. The necessary reports include monthly and year-end versions and shall be provided in an interactive electronic format agreed upon by the Chairmen of the House Appropriations and Senate Finance Committees, or their designees, and the Comptroller. Delivery of these reports shall occur by way of electronic mail or other methods to ensure their receipt within forty-eight hours of their initial run after the close of the business month."

Finance			Item 274 #1s
Department Of Accounts	FY 04-05	FY 05-06	
	(\$2,460,000)	(\$3,280,000)	GF
	-13.00	-18.00	FTE

Language:

Page 204, line 7, strike "\$5,757,749" and insert "\$3,297,749".
 Page 204, line 7, strike "\$6,577,749" and insert "\$3,297,749".

Finance			Item 274 #2s
Department Of Accounts	FY 04-05	FY 05-06	
	\$450,000	\$450,000	GF
	5.00	5.00	FTE

Language:

Page 204, line 7, strike "\$5,757,749" and insert "\$6,207,749".
 Page 204, line 7, strike "\$6,577,749" and insert "\$7,027,749".

Finance			Item 280 #1s
Department Of Accounts Transfer	FY 04-05	FY 05-06	
Payments	\$0	\$100,000,000	GF

Language:

Page 207, line 10, strike "\$87,000,000" and insert "\$187,000,000".

Finance			Item 282 #1s
Department Of Accounts Transfer	FY 04-05	FY 05-06	
Payments	(\$640,000)	(\$1,980,000)	GF

Language:

Page 207, line 49, strike "\$2,500,000" and insert "\$1,860,000".

Page 207, line 49, strike "\$3,110,000" and insert "\$1,130,000".

Finance			Item 283 #1s
Department Of Planning And Budget	FY 04-05	FY 05-06	
	\$250,000	\$250,000	NGF
	2.00	2.00	FTE

Language:

Page 208, line 23, strike "\$5,551,734" and insert "\$5,801,734".

Page 208, line 23, strike "\$5,586,983" and insert "\$5,836,983".

Page 208, line 27, following "Virginia" insert "and Title 2.2, Chapter 26, Article 8, Code of Virginia".

Page 209, following line 9, insert:

"D.1. The Department of Planning and Budget shall provide staffing and operational support for the Commonwealth Competition Council. Other state agencies and institutions of the Commonwealth shall assist the Commonwealth Competition Council in its work, upon request of the chairman of the Council.

2. There is hereby created on the books of the Comptroller a special, nonreverting fund known as the "Commonwealth Competition Council Savings Recovery Fund." The special fund appropriation in this item provides \$250,000 each year from the Fund to cover the costs of the staffing and operational support that the Department of Planning and Budget provides to the council.

3. Prior to April 1 of each year, the Director of the Department of Planning and Budget shall notify the Auditor of Public Accounts of any savings recommendations put forth by the Commonwealth Competition Council in which the savings are likely to be realized in the current fiscal year or in the fiscal year beginning on the next July 1 after such notification. The Auditor of Public Accounts shall audit the implementation of such savings recommendations and shall certify to the State Comptroller by June 1 each year the total of any savings realized by state agencies or institutions as a result of the recommendations of the Commonwealth Competition Council. By July 1 of each year, the State Comptroller shall transfer 10 percent of such certified savings to the Commonwealth Competition Council Savings Recovery Fund for support of the Council's operations. If such savings have since accrued to the benefit of the general fund of the Commonwealth, either by subsequent budgetary action or by reversion, at the time of such certification by the Auditor of Public Accounts, the State Comptroller shall transfer the equivalent of 10 percent of the affected certified savings from the general fund to the Commonwealth Competition Council Savings Recovery Fund. The total amount transferred to the Commonwealth Competition Council Savings Recovery Fund in accordance with the above provisions shall not exceed \$500,000 in any fiscal year."

Finance		Item 286 #1s
Department Of Taxation		
		Language

Language:

Page 214, after line 29, insert:

“H. Notwithstanding § 58.1-439.12:01 D of Senate Bill 537 (2004 Session), the department is authorized to prorate, with no repayment necessary in succeeding fiscal years, the amount of award each eligible corporation receives to match the maximum allocation of tax credits stipulated in § 58.1-439.12:01 C of Senate Bill 537.”

Finance			Item 286 #2s
Department Of Taxation	FY 04-05	FY 05-06	
	(\$251,326)	(\$251,326)	GF

Language:

Page 210, line 11, strike “\$47,996,407” and insert “\$47,745,081”.

Page 210, line 11, strike “\$47,903,407” and insert “\$47,652,081”.

Finance			Item 286 #3s
Department Of Taxation	FY 04-05	FY 05-06	
	(\$2,408,376)	(\$1,551,529)	GF
	-20.00	-20.00	FTE

Language:

Page 210, line 11, strike “\$47,996,407” and insert “\$45,588,031”.

Page 210, line 11, strike “\$47,903,407” and insert “\$46,351,878”.

Finance			Item 286 #4s
Department Of Taxation	FY 04-05	FY 05-06	
	(\$854,951)	(\$871,030)	GF

Language:

Page 210, line 11, strike “\$47,996,407” and insert “\$47,141,456”.

Page 210, line 11, strike “\$47,903,407” and insert “\$47,032,377”.

Finance			Item 290 #1s
Department Of The Treasury	FY 04-05	FY 05-06	
	\$1,124,883	\$0	GF

Language:

Page 216, line 33, strike “\$7,387,807” and insert “\$8,512,690”.

Page 216, after line 54, insert:

“C.1 From the amounts appropriated in Insurance Services, there shall be paid for the relief of Julius Earl Ruffin from the general fund, upon execution of a release of all claims he may have against the Commonwealth or any agency, instrumentality, officer, employee, or political subdivision, (i) the sum of \$500,000 to be paid to Julius Earl Ruffin on or before August 1, 2004, by check issued by the State Treasurer on warrant of the Comptroller and (ii) an annuity for the primary benefit of Julius Earl Ruffin providing for equal monthly payments for a period certain of thirty years commencing on or before September 1, 2004, in the cumulative amount of \$1,000,000.

2. The State Treasurer shall purchase the annuity at the lowest cost available from any A+ rated company, including any A+ rated company from which the State Lottery Department may purchase an annuity, and such annuity shall contain beneficiary provisions providing for the annuity's continued disbursement in the event of the death of Julius Earl Ruffin.”

Finance			Item 290 #2s
Department Of The Treasury	FY 04-05	FY 05-06	
	(\$48,674)	(\$48,674)	GF

Language:

Page 216, line 33, strike "\$7,387,807" and insert "\$7,339,133".

Page 216, line 33, strike "\$7,287,807" and insert "\$7,239,133".

Finance			Item 295.10 #1s
Treasury Board	FY 04-05	FY 05-06	
	\$12,378,875	\$12,878,875	GF

Language:

Page 220, following line 35

"295.10. Capital Repairs and Improvements Revolving Fund \$12,378,875 \$12,878,875

Fund Sources: General \$12,378,875 \$12,878,875."

The appropriation to this item is the initial deposit of \$12,378,875 GF the first year and \$12,878,875 GF the second year to the Capital Repairs and Improvements Revolving Fund, as provided for in Item C-194.1 of this act. Upon attaining a cash balance sufficient to sustain revolving loans of \$25,000,000 annually, the Virginia Public Building Authority may make loans from the fund to address necessary repairs, improvements and to address deferred maintenance as provided for in Item C-194.1."

Finance			Item 296 #1s
Treasury Board	FY 04-05	FY 05-06	
	\$0	\$163,218	GF

Language:

Page 220, line 36, strike "\$345,609,242" and insert "\$345,772,460".

Page 222, line 12, strike "\$54,406" and insert "\$217,624"

Finance			Item 296 #1s
Treasury Board	FY 04-05	FY 05-06	
	(\$2,475,875)	(\$2,503,695)	GF

Language:

Page 220, line 36, strike "\$299,294,769" and insert "\$296,818,894".

Page 220, line 36, strike "\$345,609,242" and insert "\$343,105,547".

Page 224, line 3, strike "\$7,523,468" and insert "\$7,347,593".

Page 224, line 3, strike "\$28,601,563" and insert "\$28,097,868".

Page 224, line 6, strike "\$1,494,938" and insert "\$1,319,063".

Page 224, line 6, strike "\$10,054,633" and insert "\$9,550,938".

Finance			Item 296 #7s
Treasury Board	FY 04-05	FY 05-06	
	\$929,277	\$5,052,529	GF

Language:

Page 220, line 36, strike "\$299,294,769" and insert "\$300,224,046".

Page 220, line 36, strike "\$345,609,242" and insert "\$350,661,771".

Health And Human Resources			Item 298 #2s
Secretary Of Health And Human Resources			
			Language

Language:

Page 228, after line 8, insert:

“The Secretary of Health and Human Resources, with agencies assisting as requested, shall study the availability of obstetrical services throughout the Commonwealth. In conducting the study, the Secretary shall: (i) assess the current availability of obstetrical services in the Commonwealth and identify any areas of the Commonwealth where there is inadequate access to such services; (ii) identify the main reasons why there are areas of the Commonwealth where there is inadequate access to obstetrical care; (iii) identify any specific problems regarding access to obstetrical care for Medicaid and FAMIS enrollees; (iv) evaluate the current availability and affordability of malpractice insurance for obstetricians and assess the degree to which this may be contributing to the lack of access to obstetrical care in certain areas of the Commonwealth; and (v) recommend actions that can be taken to improve access to obstetrical care throughout the Commonwealth. The Bureau of Insurance shall assist the Secretary in conducting this study and provide support and information regarding the availability of malpractice insurance and the trends in such premiums over the last ten years and future projections. The Secretary shall report the findings of the study to the Governor, and to the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2004.”

Health And Human Resources Item 299 #1s
Comprehensive Services For At-Risk Youth And Families Language

Language:

Page 231, after line 50, insert:

“F. The State Executive Council for the Comprehensive Services Act shall investigate the reasons leading to the practice of parents relinquishing custody of their children solely to obtain necessary and appropriate mental health services. The State Executive Council shall recommend policy options, including legislative action if appropriate, for abolishing this practice while continuing to make the services available and accessible to the children, and report to the Chairmen of the House Appropriations and Senate Finance Committees, and to the Chairman of the Joint Commission on Health Care, by November 1, 2004.”

Health And Human Resources Item 301 #1s
Department For The Aging FY 04-05 FY 05-06 GF
\$70,191 \$70,191

Language:

- Page 232, line 16, strike “\$26,433,352” and insert “\$26,503,543”.
- Page 232, line 16, strike “\$26,573,352” and insert “\$26,643,543”.
- Page 233, line 24, strike “\$329,809” and insert “\$400,000”.
- Page 233, line 25, strike “\$329,809” and insert “\$400,000”.

Health And Human Resources Item 301 #2s
Department For The Aging FY 04-05 FY 05-06 GF
\$1,000,000 \$1,000,000

Language:

- Page 232, line 16, strike “\$26,433,352” and insert “\$27,433,352”.
- Page 232, line 16, strike “\$26,573,352” and insert “\$27,573,352”.
- Page 233, after line 39, insert:

“K. Out of this appropriation, \$1,000,000 from the general fund each year shall be provided to area agencies on aging to meet the documented needs of the elderly in local communities.”

Health And Human Resources			Item 301 #3s
Department For The Aging	FY 04-05	FY 05-06	
	\$200,000	\$200,000	GF

Language:

Page 232, line 16, strike “\$26,433,352” and insert “\$26,633,352”.

Page 232, line 16, strike “\$26,573,352” and insert “\$26,773,352”.

Health And Human Resources			Item 301 #9s
Department For The Aging			
			Language

Language:

Page 232, strike lines 48 through 52.

Page 233, strike lines 1 and 2.

Health And Human Resources			Item 302 #1s
Department For The Aging	FY 04-05	FY 05-06	
	\$400,000	\$400,000	GF

Language:

Page 233, line 40, strike “\$15,711,959” and insert “\$16,111,959”.

Page 233, line 40, strike “\$15,711,959” and insert “\$16,111,959”.

Page 234, after line 40, insert:

“E. Out of this appropriation, \$400,000 from the general fund each year shall be provided to area agencies on aging for the documented need for congregate or home-delivered meals.”

Health And Human Resources			Item 306 #1s
Department Of Health	FY 04-05	FY 05-06	
	\$200,000	\$200,000	GF

Language:

Page 235, line 33, strike “\$1,851,884” and insert “\$2,051,884”.

Page 235, line 33, strike “\$1,851,884” and insert “\$2,051,884”.

Page 236, line 16, strike “\$300,000” and insert “\$500,000”.

Page 236, line 17, strike “\$300,000” and insert “\$500,000”.

Health And Human Resources			Item 306 #4s
Department Of Health	FY 04-05	FY 05-06	
	\$25,000	\$25,000	GF

Language:

Page 235, line 33, strike “\$1,851,884” and insert “\$1,876,884”.

Page 235, line 33, strike “\$1,851,884” and insert “\$1,876,884”.

Page 236, line 44, strike “\$25,000” and insert “\$50,000”.

Page 236, line 45, strike "\$25,000" and insert "\$50,000".

Health And Human Resources			Item 306 #5s
Department Of Health	FY 04-05	FY 05-06	
	\$560,568	\$560,568	GF
	(\$560,568)	(\$560,568)	NGF

Language:

Page 235, line 41, strike "\$220,396" and insert "\$780,964".

Page 235, strike line 42 and insert "fund each year".

Page 236, strike line 43.

Page 236, strike "nongeneral funds the second year".

Health And Human Resources			Item 307 #2s
Department Of Health			
			Language

Language:

Page 238, line 2, after "services" insert a period.

Page 238, delete lines 3 through 6.

Health And Human Resources			Item 310 #1s
Department Of Health	FY 04-05	FY 05-06	
	\$48,500	\$48,500	GF

Language:

Page 238, line 34, strike "\$89,997,059" and insert "\$90,045,559".

Page 238, line 34, strike "\$91,107,059" and insert "\$91,155,559".

Page 239, after line 15, insert:

"D. Out of this appropriation, \$48,500 from the general fund each year shall be used to purchase prescription medications for individuals who have drug-resistant tuberculosis and require prolonged treatment services."

Health And Human Resources			Item 310 #2s
Department Of Health	FY 04-05	FY 05-06	
	\$51,500	\$51,500	GF

Language:

Page 238, line 34, strike "\$89,997,059" and insert "\$90,048,559".

Page 238, line 34, strike "\$91,107,059" and insert "\$91,158,559".

Page 239, after line 15, insert:

"D. Out of this appropriation, \$51,500 from the general fund each year shall be used to purchase medications for individuals who have tuberculosis but who do not qualify for free or reduced prescription drugs and who do not have adequate income or insurance coverage to purchase the required prescription drugs."

Health And Human Resources			Item 311 #1s
Department Of Health	FY 04-05	FY 05-06	
	\$225,000	\$225,000	GF

Language:

Page 239, line 16, strike "\$2,926,102" and insert "\$3,151,102".

Page 239, line 16, strike "\$2,926,102" and insert "\$3,151,102".

Page 239, line 26, strike "\$333,072" and insert "\$558,072".

Page 239, line 27, strike "\$333,072" and insert "\$558,072".

Health And Human Resources			Item 311 #2s
Department Of Health	FY 04-05	FY 05-06	
	\$60,000	\$60,000	GF
	1.00	1.00	FTE

Language:

Page 239, line 16, strike "\$2,926,102" and insert "\$2,986,102".

Page 239, line 16, strike "\$2,926,102" and insert "\$2,986,102".

Health And Human Resources			Item 312 #1s
Department Of Health	FY 04-05	FY 05-06	
	\$110,000	\$110,000	GF

Language:

Page 240, line 15, strike "\$5,176,490" and insert "\$5,286,490".

Page 240, line 15, strike "\$5,176,490" and insert "\$5,286,490".

Page 242, after line 30, insert:

"C. Out of this appropriation, \$110,000 from the general fund each year shall be transferred to the Rx Partnership to improve access to free medications for low-income Virginians."

Health And Human Resources			Item 312 #2s
Department Of Health	FY 04-05	FY 05-06	
	\$100,000	\$100,000	GF

Language:

Page 240, line 15, strike "\$5,176,490" and insert "\$5,276,490".

Page 240, line 15, strike "\$5,176,490" and insert "\$5,276,490".

Page 240, line 22, strike "\$125,000" and insert "\$225,000".

Page 240, line 23, strike "\$125,000" and insert "\$225,000".

Health And Human Resources			Item 312 #3s
Department Of Health	FY 04-05	FY 05-06	
	\$100,000	\$100,000	GF

Language:

Page 240, line 15, strike "\$5,176,490" and insert "\$5,276,490".

Page 240, line 15, strike "\$5,176,490" and insert "\$5,276,490".

Page 241, after line 56, insert:

"H. Out of this appropriation, \$100,000 from the general fund each year shall be provided to the Virginia Primary Care Association to provide gap coverage for obstetrical services in rural communities at risk of losing obstetrical services."

Health And Human Resources			Item 314 #3s
Department Of Health			

Language

Language:

Page 242, line 53, strike each "\$180,000" and insert "\$200,000".

Page 243, after line 29, insert:

“3. Of this appropriation, \$200,000 each year from federal funds shall be paid to the Virginia Health Care Foundation for programs that assist low-income persons in the acquisition of reduced cost medication from pharmaceutical manufacturers.”

Health And Human Resources			Item 314 #5s
Department Of Health	FY 04-05	FY 05-06	
	\$250,000	\$250,000	GF

Language:

Page 242, line 31, strike “\$166,547,101” and insert “\$166,797,101”.

Page 242, line 31, strike “\$166,547,101” and insert “\$166,797,101”.

Page 242, line 52, strike “\$1,800,571” and insert “\$2,050,571”.

Page 242, line 53, strike “\$1,800,571” and insert “\$2,050,571”.

Page 243, after line 29, insert:

“3. Of this appropriation, \$250,000 each year from the general fund shall be paid to the Virginia Health Care Foundation to expand the Pharmacy Connect program to unserved or underserved regions of the Commonwealth.”

Health And Human Resources			Item 322 #2s
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$300,000	\$200,000	GF
	\$300,000	\$200,000	NGF
	2.00	2.00	FTE

Language:

Page 246, line 25, strike “\$75,013,771” and insert “\$75,613,771”.

Page 246, line 25, strike “\$75,013,728” and insert “\$75,413,728”.

Page 248, after line 17, insert:

“G. Included in this appropriation is \$300,000 from the general fund and \$300,000 from nongeneral funds in the first year and \$200,000 from the general fund and \$200,000 from nongeneral funds in the second year for the Department of Medical Assistance Services (DMAS) to complete a baseline encounter data validation study to assess the accuracy, completeness, and quality of encounter data from contracted Medicaid/FAMIS managed care plans and from the DMAS Medicaid Management Information System. The study objectives include: an assessment of encounter data used for managed care plan rate-setting and risk-adjustment, the development of necessary revisions to the recently implemented DMAS Medicaid Management Information System, and feedback to the health plans in the form of Data Quality Improvement Plans.”

Health And Human Resources			Item 322 #3s
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$250,000	\$150,000	GF
	\$250,000	\$150,000	NGF
	2.00	2.00	FTE

Language:

Page 246, line 25, strike “\$75,013,771” and insert “\$75,513,771”.

Page 246, line 25, strike “\$75,013,728” and insert “\$75,313,728”.

Health And Human Resources			Item 322 #4s
Department Of Medical Assistance Services			
			Language

Language:

Page 248, after line 17, insert:

“G. The Department of Medical Assistance Services shall study the degree to which hospital emergency rooms are being used by Medicaid fee-for-service clients for non-emergency care, and identify actions that could be taken to limit inappropriate use of this treatment setting. In conducting its review, the Department shall: (i) assess recent trends in emergency room use by Medicaid fee-for-service enrollees; (ii) estimate the incidence of Medicaid clients using the emergency room for non-emergency care; (iii) identify effective actions taken by the HMOs participating in the Department's managed care program as well as other state Medicaid programs to limit inappropriate use of the emergency room; (iv) consult with physicians and hospitals in assessing and developing programs that direct patients to primary care settings; and (v) recommend actions that can be taken to ensure emergency room usage by Medicaid fee-for-service clients is appropriate and medically necessary. The Department shall report its findings and recommendations to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees by November 1, 2004.”

Health And Human Resources			Item 322 #5s
Department Of Medical Assistance Services	FY 04-05	FY 05-06	
	\$638,100	\$638,100	GF
	\$314,400	\$314,400	NGF
	4.00	4.00	FTE

Language:

Page 246, line 25, strike “\$75,013,771” and insert “\$75,966,271”.

Page 246, line 25, strike “\$75,013,728” and insert “\$75,966,228”.

Page 248, after line 17, insert:

“G. The Department of Medical Assistance Services shall have the authority to amend the Medallion II waiver to allow the Department to carve out dental services provided to children under the age of 21 from Medicaid managed care. In addition, the Department shall have the authority to amend the State Plans for Titles XIX (Medical Assistance Services) and XXI (Family Access to Medical Insurance Security) of the Social Security Act, as required by applicable statute and regulations to provide dental services to children enrolled in these programs on a fee-for-service basis. The Department shall have the authority to enact emergency regulations under Section 2.2-4011 of the Administrative Process Act, to effect this provision. The Department of Medical Assistance Services may consider outsourcing such dental services to children under age 21 to an administrative services program.”

Health And Human Resources			Item 326 #3s
Department Of Medical Assistance Services	FY 04-05	FY 05-06	
	\$3,992,156	\$4,210,160	GF
	\$3,992,156	\$4,210,160	NGF

Language:

Page 250, line 37, strike “\$4,057,098,577” and insert “\$4,065,082,889”.

Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,437,052,939”.

Page 264, after line 47, insert:

“BBB. Out of this appropriation, \$3,992,156 from the general fund and \$3,992,156 from nongeneral funds the first year and \$4,210,160 from the general fund and \$4,210,160 from nongeneral funds the

second year shall be used to increase the rates paid for the community-based Medicaid mental retardation waiver program by three percent on July 1, 2004.”

Health And Human Resources			Item 326 #7s
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$1,638,577	\$2,515,325	GF
	\$1,638,577	\$2,515,325	NGF

Language:

- Page 250, line 37, strike “\$4,057,098,577” and insert “\$4,060,375,731”.
- Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,433,663,269”.
- Page 264, line 35, strike “\$344,756” and insert “\$2,328,089”.
- Page 264, line 35, strike “\$459,675” and insert “\$3,434,675”.
- Page 264, line 36, strike “\$344,756” and insert “\$2,328,089”.
- Page 264, line 37, strike “\$459,675” and insert “\$3,434,675”.
- Page 264, line 39, strike “is” and insert a period.
- Page 264, delete lines 40 through 43.

Health And Human Resources			Item 326 #8s
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$22,000,000	\$22,000,000	GF
	\$22,000,000	\$22,000,000	NGF

Language:

- Page 250, line 37, strike “\$4,057,098,577” and insert “\$4,101,098,577”.
- Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,472,632,619”.
- Page 251, after line 45, insert:
 “3. Of this amount, \$22,000,000 from the general fund each year and \$22,000,000 from the federal trust fund each year shall be used to add 880 new waiver slots under the Mental Retardation Waiver Program beginning July 1, 2004. Any unexpended appropriations for this purpose shall not cancel but be available in the following fiscal year.”

Health And Human Resources			Item 326 #10s
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$2,500,000	\$2,500,000	GF
	\$2,500,000	\$2,500,000	NGF

Language:

- Page 250, line 37, strike “\$4,057,098,577” and insert “\$4,062,098,577”.
- Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,433,632,619”.
- Page 258, line 59, strike “\$18,000,000” and insert “\$15,500,000”
- Page 259, after line 12, insert:
 “7. The Department of Medical Assistance Services shall make available under the Medicaid Preferred Drug List Program, without prior authorization, antidepressants and antianxiety medications used for the treatment of mental illness.”

Health And Human Resources			Item 326 #20s
Department Of Medical Assistance Services			
			Language

Language:

- Page 256, strike line 19.

Page 256, line 20, strike “Medicaid and Medicare Services for a” and insert:
 “The Department of Medical Assistance Services shall discontinue efforts to seek approval of a”.

Page 256, line 28, strike “eliminate” and insert “restore the”.

Page 256, line 32, strike “The Department shall implement these necessary”.

Page 256, strike lines 33 through 34, and insert:
 “The Department shall study the impact of expanding elderly case management services to a statewide service. The Department shall report the results of its study to the Chairmen of the House Appropriations and Senate Finance Committees and the Department of Planning and Budget no later than December 15, 2004. The Department shall seek the input of appropriate agencies in conducting the study, including the Department for the Aging and the Area Agencies on Aging.”

Health And Human Resources Item 326 #22s
 Department Of Medical Assistance Services Language

Language:

Page 263, line 39, strike “, terminate”.

Page 263, line 41, after “Waiver” insert:
 “, provided that individuals eligible for the waivers do not lose necessary services”.

Health And Human Resources Item 326 #25s
 Department Of Medical Assistance FY 04-05 FY 05-06
 Services \$250,000 \$250,000 GF
\$250,000 \$250,000 NGF

Language:

Page 250, line 37, strike “\$4,057,098,577” and insert “\$4,057,598,577”.

Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,429,132,619”.

Page 264, after line 47, insert:
 “BBB. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance Services to provide an increase of \$250,000 from the general fund each year and \$250,000 from nongeneral funds each year to enhance reimbursements to inpatient hospitals with exceptionally high Medicaid utilization, specifically those inpatient hospitals with Medicaid utilization rates over 50 percent of their Neonatal Intensive Care Unit (NICU) patient populations. The enhanced reimbursements shall be proportionally distributed to the inpatient hospitals based on each hospital's share of the total NICU Medicaid patient days of the hospitals eligible for the enhanced reimbursements. In the event a hospital qualifying for this program would receive a reimbursement rate in excess of the federal upper payment limit for such facilities, they shall be determined ineligible for the additional payment. Such amendments to the State Plan shall become effective within 280 days or less from the enactment of this act.”

Health And Human Resources Item 326 #28s
 Department Of Medical Assistance FY 04-05 FY 05-06
 Services \$0 \$11,492,974 GF
\$0 \$11,492,974 NGF

Language:

Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,451,618,567”.

Page 264, line 6, strike “75” and insert “79”.

Page 264, line 6, after “percent” insert “, effective July 1, 2005”.

Page 264, line 7, strike “\$9,125,000” and insert “\$20,617,974”.

Page 264, line 8, strike “\$9,125,000” and insert “\$20,617,974”.

Page 264, line 9, strike "for the adjustment" and insert "is for this purpose."

Page 264, delete lines 10 through 13.

Health And Human Resources			Item 326 #29s
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$0	\$5,395,530	GF
	\$0	\$5,395,530	NGF

Language:

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,439,423,679".

Page 264, line 18, strike "\$3" and insert "\$4.66".

Page 264, line 21, strike "\$3" and insert "\$4.66".

Page 264, line 27, strike "\$9,740,987" and insert "\$15,136,517".

Page 264, line 28, strike "\$9,740,987" and insert "\$15,136,517".

Page 264, line 29, after "funds" insert "is for this purpose."

Page 264, delete lines 30 through 33.

Health And Human Resources			Item 326 #30s
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$0	\$1,449,104	GF
	\$0	\$1,449,104	NGF

Language:

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,431,530,827".

Page 264, line 47, insert:

"BBB. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance Services to increase the dispensing fee paid to pharmacists from \$3.75 to \$4.00 per prescription per month. Such amendments to the State Plan shall become effective within 280 days or less from the enactment of this act."

Health And Human Resources			Item 326 #31s
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$280,604	\$297,437	GF
	\$280,604	\$297,437	NGF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,057,659,785".

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,429,227,493".

Page 264, line 47, insert:

"BBB. The Department of Medical Assistance Services shall have the authority to amend the State Plan for Medical Assistance Services to increase reimbursements to physicians delivering services to recipients in hospital emergency rooms effective July 1, 2004. Out of this appropriation, the expenditure of \$280,604 the first year and \$297,437 the second year from the general fund and \$280,604 the first year and \$297,437 the second year from nongeneral funds shall be used to increase reimbursements by 4 percent above the fiscal year 2004 level. Such amendments to the State Plan shall become effective within 280 days or less from the enactment of this act."

Health And Human Resources			Item 326 #39s
Department Of Medical Assistance Services			

Language

Language:

Page 264, after line 47, insert:

“BBB. The Department of Medical Assistance Services may make available to its enrollees those prescription medications which improve drug regimen compliance, reduce medication errors, or decrease medication abuse through the use of medication delivery systems that include, but are not limited to, transdermal and injectable delivery systems.”

Health And Human Resources

Item 326 #40s

Department Of Medical Assistance Services

Language

Language:

Page 264, after line 47, insert:

“BBB. Contingent upon (i) receiving approval by the Robert Wood Johnson (RWJ) Foundation for a Cash and Counseling Demonstration and Evaluation grant, or (ii) an appropriation for a fiscal agent and staff to implement the program, the Department of Medical Assistance Services shall request a §1115 Research and Demonstration Waiver from the Centers for Medicare and Medicaid services. The waiver application shall include the location of the two demonstration sites as Lynchburg and Winchester. The Department shall promulgate emergency regulations to become effective within 280 days or less after receiving approval from the Centers for Medicare and Medicaid Services.”

Health And Human Resources

Item 326 #41s

Department Of Medical Assistance Services

FY 04-05

FY 05-06

\$0

\$6,000,000

GF

\$0

\$6,000,000

NGF

Language:

Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,440,632,619”.

Page 264, after line 47, insert:

“BBB. Out of this appropriation, \$6,000,000 from the general fund and \$6,000,000 from nongeneral funds shall be used to increase personal care provider rates offered under community-based Medicaid waiver programs by 10 percent on July 1, 2005.”

Health And Human Resources

Item 326 #46s

Department Of Medical Assistance Services

FY 04-05

FY 05-06

\$2,666,667

\$4,000,000

GF

\$2,666,667

\$4,000,000

NGF

Language:

Page 250, line 37, strike “\$4,057,098,577” and insert “\$4,062,431,911”.

Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,436,632,619”.

Page 251, after line 45, insert:

“3. The appropriation includes \$2,666,667 the first year and \$4,000,000 the second year from the general fund and \$2,666,667 the first year and \$4,000,000 the second year from nongeneral funds for 160 new Mental Retardation Home and Community-based Waiver slots for individuals who are residing in mental retardation training centers, have been determined to be ready for discharge, and have chosen to be served in the community.”

Health And Human Resources

Item 326 #47s

Department Of Medical Assistance Services

FY 04-05

FY 05-06

\$2,000,000

\$0

GF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,059,098,577".

Page 264, after line 47, insert:

"BBB. Out of this appropriation, \$2,000,000 from the general fund in the first year is provided for start-up costs related to the development of mental retardation waiver services. Any unexpended appropriations as of June 30, 2005 shall not expire but be available for these purposes until June 30, 2006."

Health And Human Resources			Item 326 #48s
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$21,800,000	(\$76,400,000)	GF
	(\$21,800,000)	\$76,400,000	NGF

Language:

Page 264, line 46, strike "\$310,700,000" and insert "\$288,900,000".

Page 264, line 46, strike "\$276,300,000" and insert "\$352,700,000".

Health And Human Resources			Item 326 #49s
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$0	\$5,837,400	GF
	\$0	\$5,837,400	NGF

Language:

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,440,307,419".

Page 264, after line 47, insert:

"BBB. Out of this appropriation, \$5,837,400 from the general fund and \$5,837,400 from nongeneral funds the second year shall be provided for 600 slots for a 1915(c) Medicaid Waiver for day support services. Contingent upon approval by the Centers for Medicare and Medicaid Services (CMS), the Department of Medical Assistance Services (DMAS) is directed to develop such Waiver in coordination with the Department of Mental Health, Mental Retardation, and Substance Services, and affected constituents."

Health And Human Resources		Item 330 #1s
Department Of Mental Health, Mental Retardation And Substance Abuse		
Services		Language

Language:

Page 268, after line 50, insert:

"L. Beginning on November 1, 2004, the Commissioner of the Department of Mental Health, Mental Retardation, and Substance Abuse Services shall annually submit a report to the Chairmen of the Senate Finance and House Appropriations Committees detailing implementation of the Department's plan to contract with participating private providers, contract amounts paid to each private provider, number of patients served, term of inpatient treatment, any savings realized by community-based treatment, and any fiscal impact to state hospitals."

Health And Human Resources		Item 330 #2s
Department Of Mental Health, Mental Retardation And Substance Abuse		
Services		Language

Language:

Page 268, after line 50, insert:

"L. The Department of Mental Health, Mental Retardation, and Substance Abuse Services, in cooperation with the Department of Criminal Justice Services, shall incorporate information about

programs that divert individuals with mental illness, substance abuse, and co-occurring disorders from jail or secure detention on the web-based internet site being designed by the Department of Mental Health, Mental Retardation, and Substance Abuse Services. This is a recommendation of the Joint Commission on Health Care.”

Health And Human Resources			Item 330 #4s
Department Of Mental Health, Mental Retardation And Substance Abuse Services	FY 04-05	FY 05-06	
	\$0	(\$209,000)	GF

Language:

Page 266, line 18, strike “\$18,107,290” and insert “\$17,898,290”.

Health And Human Resources		Item 330 #5s
Department Of Mental Health, Mental Retardation And Substance Abuse Services		Language

Language:

Page 268, after line 50, insert:

“L.1. Notwithstanding the Commissioner's discretion to grant licenses pursuant to this chapter or any Board regulation regarding licensing, no initial license shall be granted by the Commissioner to a provider of treatment for persons with opiate addiction through the use of the controlled substance, methadone, or other opioid replacements, if such provider is to be located within one-half mile of a public or private licensed day care center or a public or private K-12 school, except when such service is provided by a hospital licensed by the Board of Health or the Commissioner of the Department of Mental Health, Mental Retardation or Substance Abuse Services or owned or operated by an agency of the Commonwealth.

2. Further, upon receiving notice of a proposal for or an application to obtain initial licensure from a provider of treatment for persons with opiate addiction through the use of the controlled substance, methadone, or other opioid replacements, the Commissioner shall, within 15 days of such receipt, notify the local governing body of and the community services board serving the jurisdiction in which the facility is to be located of such proposal or application and its proposed location.

Within 30 days of the date of the notice, local governing bodies and community services boards shall submit to the Commissioner comments on such proposals or applications. The local governing body shall notify the Commissioner within 30 days of the date of the notice concerning the compliance of the applicant with this section and any applicable local ordinances.

3. No license shall be issued by the Commissioner to such provider until the conditions of this section have been met, i.e., local governing body and community services board comments have been received and the local governing body has determined compliance with the provisions of this section and any relevant local ordinances.

4. No existing provider that has made application for licensure and obtained a certificate of occupancy or has received a license in accordance with the law and regulations in effect on January 1, 2004, shall be required to comply with the provisions of this section.

5. The provisions of this act shall not apply to the jurisdictions located in Planning District 8.”

Health And Human Resources		Item 330 #6s
Department Of Mental Health, Mental Retardation And Substance Abuse Services		Language

Language:

Page 268, delete lines 31 through 50.

Health And Human Resources			Item 330 #7s
Department Of Mental Health, Mental	FY 04-05	FY 05-06	
Retardation And Substance Abuse	\$150,000	\$150,000	GF
Services	2.00	2.00	FTE

Language:

Page 266, line 18, strike "\$18,433,014" and insert "\$18,583,014".

Page 266, line 18, strike "\$18,107,290" and insert "\$18,257,290".

Health And Human Resources			Item 332 #2s
Department Of Mental Health, Mental	FY 04-05	FY 05-06	
Retardation And Substance Abuse	(\$2,666,667)	(\$4,000,000)	GF
Services			

Language:

Page 269, line 5, strike "\$24,269,206" and insert "\$21,602,539".

Page 269, line 5, strike "\$27,608,206" and insert "\$23,608,206".

Page 269, strike lines 26 through 33.

Health And Human Resources			Item 332 #3s
Department Of Mental Health, Mental Retardation And Substance Abuse			
Services			Language

Language:

Page 269, line 36, after "fund" insert "is"

Page 269, line 37, delete "is contingent upon the" and insert a period.

Page 269, strike lines 38 through 40.

Health And Human Resources			Item 332 #4s
Department Of Mental Health, Mental Retardation And Substance Abuse			
Services			Language

Language:

Page 269, line 43, after "fund" insert "is".

Page 269, line 44, after "hospitals", strike "is" and insert a period.

Page 269, strike lines 45 through 48.

Health And Human Resources			Item 332 #5s
Department Of Mental Health, Mental	FY 04-05	FY 05-06	
Retardation And Substance Abuse	\$200,000	\$400,000	GF
Services			

Language:

Page 269, line 5, strike "\$24,269,206" and insert "\$24,469,206".

Page 269, line 5, strike "\$27,608,206" and insert "\$28,008,206".

Page 269, after line 48, insert:

"F. Out of this appropriation, \$200,000 the first year and \$400,000 the second year from the general fund shall be used to develop a pilot program to divert forensic admissions of jail inmates from state

mental health facilities, when clinically appropriate, and provide services to mentally ill persons in regional jail settings.”

Health And Human Resources			Item 334 #2s
Grants To Localities	FY 04-05	FY 05-06	
	\$1,000,000	\$1,500,000	GF

Language:

Page 270, line 14, strike “\$227,576,495” and insert “\$228,576,495”.

Page 270, line 14, strike “\$228,232,745” and insert “\$229,732,745”.

Page 272, after line 43, insert:

“Q. Out of this appropriation, \$1,000,000 in the first year and \$1,500,000 the second year from the general fund is for Part C-Early Intervention Services for infants and toddlers.”

Health And Human Resources			Item 334 #13s
Grants To Localities			
			Language

Language:

Page 272, line 11, strike the first “4,125,000” and insert “6,125,000”.

Page 272, line 11, strike the second “4,125,000” and insert “6,125,000”.

Page 272, strike lines 27 through 35.

Health And Human Resources			Item 334 #14s
Grants To Localities			
			Language

Language:

Page 272, line 38, after “fund” insert “is”.

Page 272, line 40, after “(PACT)”, strike:

“is contingent upon the passage into law of the” and insert a period.

Page 272, delete lines 41 through 43.

Health And Human Resources			Item 346 #1s
Virginia Center For Behavioral Rehabilitation	FY 04-05	FY 05-06	
	\$0	(\$1,991,000)	GF
	0.00	-41.00	FTE

Language:

Page 276, line 4, strike “\$6,791,432” and insert “\$4,800,432”.

Health And Human Resources			Item 349 #5s
Department Of Rehabilitative Services	FY 04-05	FY 05-06	
	\$800,000	\$800,000	GF

Language:

Page 276, line 37, strike “\$83,939,471” and insert “\$84,739,471”.

Page 276, line 37, strike “\$83,939,471” and insert “\$84,739,471”.

Page 277, line 15, strike “\$3,611,786” and insert “\$4,554,538”.

Page 277, line 16, strike "\$3,754,538" and insert "\$4,554,538".

Health And Human Resources			Item 349 #8s
Department Of Rehabilitative Services	FY 04-05	FY 05-06	
	\$1,568,750	\$1,568,750	GF

Language:

Page 276, line 37, strike "\$83,939,471" and insert "\$85,508,221".

Page 276, line 37, strike "\$83,939,471" and insert "\$85,508,221".

Page 277, line 23, after "D." insert "1."

Page 277, line 24, strike "\$1,119,926" and insert "\$2,832,388".

Page 277, line 24, strike "\$1,263,638" and insert "\$2,832,388".

Page 277, after line 27, insert:

"2. Of this amount, \$1,568,750 from the general fund each year shall be used to provide a continuum of brain injury services to individuals in unserved or underserved regions of the Commonwealth. Up to \$250,000 each year shall be awarded to successful applicants. Organizations currently receiving more than \$250,000 each year are ineligible for additional assistance under this section. To be determined eligible for a grant under this section, organizations shall submit plans to match 50 percent of general fund support with non-state funding each year.

3. Beginning November 1, 2005, grant recipients shall submit annual reports to the Chairmen of the Senate Finance and House Appropriations Committees documenting the number of individuals served, services provided, and success in attracting non-state resources."

Health And Human Resources			Item 349 #9s
Department Of Rehabilitative Services			

Language

Language:

Page 277, after line 43, insert:

"H.1. For grants awarded after July 1, 2004, the Commissioner shall require applicants to submit a plan to achieve self-sufficiency by the end of the grant award cycle in order to receive funding consideration.

2. Notwithstanding any other law to the contrary, the Commissioner may reallocate up to \$500,000 from unexpended balances in the Commonwealth Neurotrauma Initiative Trust Fund to fund new grant awards for research on traumatic brain and spinal cord injuries."

Health And Human Resources			Item 349 #10s
Department Of Rehabilitative Services	FY 04-05	FY 05-06	
	\$300,000	\$300,000	GF

Language:

Page 276, line 37, strike "\$83,939,471" and insert "\$84,239,471".

Page 276, line 37, strike "\$83,939,471" and insert "\$84,239,471".

Page 277, line 3, strike "\$3,385,210" and insert "\$3,976,210".

Page 277, line 4, strike "\$3,676,210" and insert "\$3,976,210".

Health And Human Resources			Item 350 #1s
Department Of Rehabilitative Services			

Language

Language:

Page 277, after line 49, insert:

“The Department of Rehabilitative Services, in cooperation with the Department of Social Services and local social services agencies, shall develop an expedited process for transitioning disabled persons in hospitals to rehabilitation facilities. As part of this expedited process, the Department of Rehabilitative Services shall make Medicaid disability determinations within seven business days of the receipt of referrals from local departments of social services.”

Health And Human Resources

Item 354 #2s

Department Of Social Services

Language

Language:

Page 281, after line 16, insert:

“I. The Department of Social Services shall develop a multi-lingual outreach campaign to inform qualified aliens and their children, who are United States citizens, of their eligibility for federal food stamps and ensure that they have access to benefits under the food stamp program. To the extent permitted by federal law, the Department shall administer the food stamp program in a way that minimizes the procedural burden on qualified aliens and allays their concerns about the impact of food stamp receipt on their immigration sponsors and status.”

Health And Human Resources

Item 354 #4s

Department Of Social Services

FY 04-05

FY 05-06

\$100,000

\$100,000

GF

Language:

Page 279, line 10, strike “\$46,868,606” and insert “\$46,968,606”.

Page 279, line 10, strike “\$46,873,490” and insert “\$46,973,490”.

Page 281, line 14, strike “\$100,000” and insert, “\$200,000”.

Page 281, line 15, strike “\$100,000” and insert, “\$200,000”.

Health And Human Resources

Item 354 #5s

Department Of Social Services

Language

Language:

Page 281, after line 16, insert:

“I. The Department of Social Services shall implement the Guidance issued by the U.S. Department of Health and Human Services concerning the obligation of recipients of Federal financial assistance to comply with Title VI of the Civil Rights Act of 1964 by ensuring that meaningful access to federally-funded programs, activities and services administered by the Department is provided to limited English proficient (LEP) persons, 63 Fed. Reg. 47,311-47,323 (August 8, 2003). At a minimum, the Department shall (1) identify the need for language assistance by analyzing the following factors: (a) the number or proportion of LEP persons in the eligible service population, (b) the frequency of contact with such persons, (c) the nature and importance of the program, activity or service, and (d) the costs of providing language assistance and resources available; (2) translate vital documents into the language of each frequently encountered LEP group eligible to be served; (3) provide accurate and timely oral interpreter services; and (4) develop an effective implementation plan to address the identified needs of the LEP populations served.”

Health And Human Resources

Item 355 #1s

Department Of Social Services

FY 04-05

FY 05-06

\$1,000,000

\$1,000,000

GF

Language:

Page 281, line 18, strike "\$49,487,126" and insert "\$50,487,126".

Page 281, line 18, strike "\$47,445,246" and insert "\$48,445,246".

Page 282, after line 2, insert:

"3. Out of this appropriation, \$1,000,000 from the general fund each year shall be distributed according to the formula in this section."

Health And Human Resources
Department Of Social Services

Item 356 #3s

Language

Language:

Page 283, line 8, strike "\$3,900,000" and insert "\$9,200,000".

Page 283, line 9, strike "\$3,900,000" and insert "\$4,900,000".

Health And Human Resources
Department Of Social Services

Item 356 #7s

Language

Language:

Page 284, after line 4, insert:

"1.1. Local departments of social services shall provide to eligible Temporary Assistance to Needy Families (TANF) recipients, under the administrative supervision of the Commissioner of Social Services, pre-employment and employment-related training services from the federal TANF grant funds appropriated for that purpose.

2. A limited number of local departments of social services are encouraged to participate in a pilot program to purchase employment-related training and placement services for TANF recipients from employment services organizations and the local workforce investment boards. The Commissioner of Social Services shall issue policy guidance for the development and operation of the pilot programs to purchase employment related training and placement services for TANF recipients from employment services organizations and the local workforce investment boards.

3. The pilot training and placement services for TANF recipients from employment services organizations and the local workforce investment boards shall be evaluated during a two-year period to assess the pre-employment and employment-related training services provided to the TANF recipients."

Health And Human Resources
Department Of Social Services

Item 356 #10s

	FY 04-05	FY 05-06	
	\$10,349,238	\$10,349,239	GF
	(\$10,349,238)	(\$10,349,238)	NGF

Language:

Page 282, line 11, strike "\$155,397,676" and insert "\$155,397,677".

Health And Human Resources
Department Of Social Services

Item 356 #11s

Language

Language:

Page 283, delete lines 43 through 59.

Page 284, delete lines 1 through 4.

Health And Human Resources	Item 357 #3s
Department Of Social Services	
	Language

Language:

Page 285, after line 35, insert:

“J. From the federal TANF grant, \$50,000 each year shall be transferred to the Bristol-Washington County Children's Advocacy Center for services to TANF-eligible populations.”

Health And Human Resources	Item 357 #4s
Department Of Social Services	
	Language

Language:

Page 285, after line 35, insert:

“J. From the federal TANF grant, \$50,000 each year shall be transferred to the Lenowisco Planning District Children's Advocacy Center for services to TANF-eligible populations.”

Health And Human Resources			Item 357 #6s
Department Of Social Services	FY 04-05	FY 05-06	
	(\$10,349,238)	(\$10,349,239)	GF

Language:

Page 284, line 5, strike “\$152,196,355” and insert “\$141,847,117”.

Page 284, line 5, strike “\$163,637,335” and insert “\$153,288,096”.

Health And Human Resources			Item 357 #8s
Department Of Social Services	FY 04-05	FY 05-06	
	\$200,000	\$200,000	GF

Language:

Page 284, line 5, strike “\$152,196,355” and insert “\$152,396,355”.

Page 284, line 5, strike “\$163,637,335” and insert “\$163,837,335”.

Health And Human Resources			Item 357 #9s
Department Of Social Services	FY 04-05	FY 05-06	
	\$100,000	\$100,000	GF

Language:

Page 284, line 5, strike “\$152,196,355” and insert “\$152,296,355”.

Page 284, line 5, strike “\$163,637,335” and insert “\$163,737,335”.

Page 285, line 18, strike “\$584,980” and insert “\$684,980”.

Page 285, line 21, strike “\$584,980” and insert “\$684,980”.

Health And Human Resources			Item 359 #1s
Department Of Social Services	FY 04-05	FY 05-06	
	\$0	\$6,363,878	GF

Language:

Page 286, line 22, strike “\$20,098,755” and insert “\$26,462,633”.

Page 286, line 33, strike "\$866" and insert "\$938".

Health And Human Resources Item 360 #2s
Department Of Social Services Language

Language:

Page 288, after line 3, insert:

"D. Out of this appropriation, the Department of Social Services shall allocate \$2,550,000 each year from the federal TANF block grant for employment and training and other services for hard-to-serve recipients to promote self-sufficiency."

Health And Human Resources Item 360 #4s
Department Of Social Services Language

Language:

Page 288, after line 3, insert:

"D. From the federal TANF grant, \$637,500 each year shall be made available to approved Centers for Employment Training."

Health And Human Resources			Item 360 #4s
Department Of Social Services	FY 04-05	FY 05-06	
	\$10,349,238	\$10,349,238	NGF

Language:

Page 287, line 5, strike "\$69,122,484" and insert "\$79,471,722".

Page 287, line 5, strike "\$68,122,484" and insert "\$78,471,722".

Health And Human Resources			Item 362 #2s
Department Of Social Services	FY 04-05	FY 05-06	
	\$4,300,000	\$2,150,000	GF
	\$4,300,000	\$2,150,000	NGF

Language:

Page 288, line 53, strike "\$306,249,218" and insert "\$314,849,218".

Page 288, line 53, strike "\$306,249,218" and insert "\$310,549,218".

Health And Human Resources Item 362 #3s
Department Of Social Services Language

Language:

Page 291, line 5, after "fund", insert:

"and \$1,062,500 from the federal TANF grant".

Page 291, line 6, after "fund", insert:

"and \$1,062,500 from the federal TANF grant".

Health And Human Resources Item 362 #8s
Department Of Social Services Language

Language:

Page 291, after line 20, insert:

“O. Out of this appropriation, \$9,300,000 each year from the federal TANF block grant shall be allocated for foster care and adoption workers in local Department of Social Services offices.”

Health And Human Resources Item 362 #9s
Department Of Social Services

Language

Language:

Page 291, after line 20, insert:

“O. The Commissioner, in consultation with local departments of social services, shall develop a plan to implement and finance the federally required local Child and Family Services Review Performance Improvement Plan.”

Health And Human Resources Item 362 #12s
Department Of Social Services

	FY 04-05	FY 05-06	
	\$650,000	\$650,000	GF

Language:

Page 288, line 53, strike “\$306,249,218” and insert “\$306,899,218”.

Page 288, line 53, strike “\$306,249,218” and insert “\$306,899,218”.

Page 290, line 57, strike “\$541,578” and insert “\$1,191,578”.

Page 290, line 57, strike “\$541,578” and insert “\$1,191,578”.

Health And Human Resources Item 365 #4s
Department Of Social Services

Language

Language:

Page 292, line 49, strike “\$4,838,528” and insert \$4,857,697”

Page 292, line 50, strike “\$12,887” and insert “\$51,225”

Page 292, delete lines 51 through 59 and insert:

“2. Unless otherwise set out in this Act, federal TANF block grant funding will be provided to state agencies and other provider organizations in the first and second year at the same level as provided in fiscal year 2004.”

Page 293, delete lines 1 through 7.

Natural Resources Item 379 #2s
Chesapeake Bay Local Assistance

	FY 04-05	FY 05-06	
Department	(\$1,449,221)	(\$1,451,098)	GF
	-20.00	-20.00	FTE

Language:

Page 297, line 31, strike “\$1,449,221” and insert “\$0”.

Page 297, line 31, strike “\$1,451,098” and insert “\$0”.

Page 297, strike lines 31 thru 47.

Page 298, strike lines 1 thru 3.

Page 297, after line 30, insert:

“Notwithstanding Title 10.1 Chapter 21, Code of Virginia, the Chesapeake Bay Local Assistance Department will be merged with the Department of Conservation and Recreation effective July 1, 2004. The powers and duties heretofore exercised by such agency shall hereafter be vested in the

Department of Conservation and Recreation. The Chesapeake Bay Local Assistance Board shall remain a collegial body pursuant to Title 10.1 Chapter 21.”.

Natural Resources	Item 381 #1s
Department Of Conservation And Recreation	Language

Language:

Page 299, after line 57, insert:

“I.1. The Department shall conduct, or contract for, a marketing study of State Park user fees, including, but not limited to the fees charged for cabin rental, campground use, parking and boat launch use. The study shall identify the factors determining demand for state park services including demographics, locations, times of the year and other variables.

2. Based on the findings of the study, the Department shall: (1) establish marketing goals for its facilities and existing services, (2) identify new recreational products with the potential to increase nongeneral fund park revenue and increase the exposure of Virginians to the park system, and (3) to the extent that it is practical, revise its fee schedule to maximize the revenue available to the Conservation Resources Fund while maintaining adequate public access to the parks.

3. The study shall include a review of the potential for extraordinary pricing opportunities associated with particular facilities, locations, times of the year, or unique nature and recreational experiences, including package opportunities not currently included in the Department’s fee schedule. To the extent possible, the Department shall make use of marketing departments at Virginia universities or other pro bono services in producing the study. Copies of a final report from the review, the marketing goals, new product ideas, and potential fee increase options shall be delivered to the Chairmen of the House Appropriations and Senate Finance Committees by November 30, 2004.”

Natural Resources			Item 382 #1s
Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$15,000	\$0	GF

Language:

Page 298, line 25, strike “\$22,738,678” and insert “\$22,753,678”.

Page 299, after line 57, insert:

“I. Included in the amounts for Flood Plain Management is \$15,000 in the first year for the operations and expenses of the Rappahannock River Basin Commission.”

Natural Resources			Item 382 #7s
Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$200,000	\$200,000	GF

Language:

Page 298, line 25, strike “\$22,738,678” and insert “\$22,938,678”.

Page 298, line 25, strike “\$20,977,511” and insert “\$21,177,511”.

Page 299, after line 57, insert:

“I. In conjunction with other reporting requirements included in this Item, the Soil and Water Conservation Board shall prepare annual statistics, by District, that include: the number of farmers, the number of acres in farms and in agricultural production (by product type), the number of farmers participating in District programs by program, the number of acres by product under each type of agricultural best management practice, the budgeted and expended funds for each agricultural best management practice, and other information needed by the Department of Conservation and Recreation to evaluate the quantitative impact of Soil and Water Conservation District practices and funding on Virginia’s water quality and land conservation goals. This information shall be provided

to the Director of the Department of Conservation and Recreation in a timely manner for the Department to complete its annual reporting requirements under this Item.”

Natural Resources			Item 382 #11s
Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$150,000	\$150,000	GF

Language:

- Page 298, line 25, strike “\$22,738,678” and insert “\$22,888,678”.
- Page 298, line 25, strike “\$20,977,511” and insert “\$21,127,511”.
- Page 298, line 45, strike “\$50,000” and insert “\$200,000”.
- Page 298, line 46, strike “\$50,000” and insert “\$200,000”.

Natural Resources			Item 382 #12s
Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$6,906,250	\$6,906,250	NGF

Language:

- Page 298, line 25, strike “\$22,738,678” and insert “\$29,644,928”.
- Page 298, line 25, strike “\$20,977,511” and insert “\$27,883,761”.
- Page 299, after line 57, insert:

“I.1. Out of the amounts for Statewide Non-Point Source Pollution Control, \$6,906,250 from nongeneral funds each year shall be deposited to the Virginia Water Quality Improvement Fund established under the Water Quality Improvement Act of 1997, Title 10.1, Chapter 21.1, Code of Virginia. The sources of funds for these nongeneral fund deposits is the Virginia Natural and Historic Resources Fund pursuant to the “Virginia Investment Act” (Senate Bill 635, 2004 Session).

2. The Department shall review Soil and Water Conservation District (SWCD) operations and identify potential improvements in water quality and soil erosion programs. The review shall consider the relative needs of the various Districts, practices that offer the most cost-effective use of nonpoint source funding, and practices that are most appropriate given the characteristics of the various districts. The review shall incorporate the most recent findings on best management practice effectiveness. Based on the findings of the review, the Department shall propose changes in SWCD practices, staffing and funding, including the potential for performance based funding, to improve the Commonwealth’s non-point source programs. The Department shall coordinate this review with the requirements of HJR 72 (2004 Session) and any planned reviews of its nutrient management regulations. Copies of an interim report shall be provided to the Chairmen of the House Committees on Appropriations, and Agriculture, Chesapeake and Natural Resources, and the Senate Committees on Finance, and Agriculture, Conservation and Natural Resources by December 31, 2004. The final report including recommendations for SWCD practices and funding shall be provided by December 31, 2005.”

Natural Resources			Item 382 #13s
Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$1,400,121	\$1,212,684	GF
	17.00	17.00	FTE

Language:

- Page 298, line 25, strike “\$22,738,678” and insert “\$24,138,799”.
- Page 298, line 25, strike “\$20,977,511” and insert “\$22,190,195”.
- Page 299, after line 57, insert:

“I.1. The Department of Conservation and Recreation (DCR) shall assume the responsibilities and budget resources of the Chesapeake Bay Local Assistance Department (CBLAD) appropriated

herein effective July 1, 2004. The resources of the former Department shall continue within DCR to provide technical and financial assistance to localities pursuant to the Chesapeake Bay Preservation Act (§ 10.1-2100, et. seq.) The Chesapeake Bay Local Assistance Board shall continue as a collegial body.

2. The Secretary of Natural Resources shall prepare an agency reorganization plan to be submitted to the Chairmen of the Senate Finance and House Appropriations Committees by August 31, 2004. In developing the plan the Secretary shall consult with Tidewater localities and Tidewater Soil and Water Conservation Districts.

3. The plan shall include necessary steps to ensure that the purposes of the Chesapeake Bay Preservation Act are implemented by DCR, with former CBLAD resources and personnel constituting either a new division within DCR or a component of an existing division. The plan shall also identify any positions that will be eliminated or other actions needed to achieve the policy goals and cost savings.

4. It is the intent of the General Assembly that legislation in the 2005 Session effectuating the merger shall ensure that the core operations of the Chesapeake Bay Local Assistance Department and Chesapeake Bay Local Assistance Board shall continue.

J.1. The amounts provided to localities and planning district commissions for financial assistance in implementing the Chesapeake Bay Preservation Act shall be distributed on a competitive basis. Consideration shall be given to the availability of local resources, with more funding provided to localities with the greatest needs and where the greatest water quality benefits can be achieved.

2. Of the amounts in the Land Management program, the Department may expend a portion of its general fund appropriation for a water quality monitoring project in Caroline County.”

Natural Resources			Item 382 #14s
Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$315,000	\$315,000	NGF
	4.00	4.00	FTE

Language:

Page 298, line 25, strike “\$22,738,678” and insert “\$23,053,678”.

Page 298, line 25, strike “\$20,977,511” and insert “\$21,292,511”.

Page 299, after line 57, insert:

“I. Pursuant to §10.1-2135.C.3, Code of Virginia, the amount for Land Management includes \$315,000 each year from the Virginia Natural and Historic Resources Fund to implement the land conservation and nonpoint water quality programs funded by the “Virginia Investment Act” (SB 635, 2004 Session). These funds shall be distributed by the Director as follows: \$100,000 annually to the Virginia Outdoors Foundation for inspection and management of conservation easements, \$60,000 annually to implement SB 523 (2004 Session), and \$155,000 annually to support other programs within the Department of Conservation and Recreation that receive funds from the Virginia Land Conservation Fund and the Water Quality Improvement Fund.”

Natural Resources			Item 382 #15s
Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$500,000	\$500,000	NGF

Language:

Page 298, line 25, strike “\$22,738,678” and insert “\$23,238,678”.

Page 298, line 25, strike “\$20,977,511” and insert “\$21,477,511”.

Page 299, after line 57, insert:

“I. Notwithstanding the distribution specified in §10.1-2135.C.1, Code of Virginia, from the allocation intended for the Department of Conservation and Recreation for the Water Quality Improvement Fund, the Comptroller shall transfer from the sales and use tax revenue deposited into

the Virginia Natural and Historic Resources Fund: \$500,000 the first year and \$500,000 the second year for grants to local Soil and Water Conservation Districts to assist in the development of agricultural conservation plans. These amounts shall be counted against the Department's annual transfer from the Virginia Natural and Historic Resources Fund for nonpoint source programs."

Natural Resources Item 382 #16s
Department Of Conservation And Recreation
Language

Language:

Page 299, after line 57, insert:

"I. The Department shall provide mileage compensation to citizen members of the Roanoke River Basin Commission for travel to and from Commission meetings."

Natural Resources Item 382 #17s
Department Of Conservation And Recreation FY 04-05 FY 05-06
Recreation \$1,102,500 \$0 GF

Language:

Page 298, line 25, strike "\$22,738,678" and insert "\$23,841,178".

Page 299, line 21, strike "\$1,917,500", and insert "\$3,020,000".

Natural Resources Item 383 #2s
Department Of Conservation And Recreation
Language

Language:

Page 300, line 18, strike "the".

Page 300, line 19, strike "Commonwealth's matching share of support".

Page 300, line 21, strike "not to exceed", and insert "up to".

Page 300, line 21, after "year and", and insert "up to".

Natural Resources Item 383 #10s
Department Of Conservation And Recreation
Language

Language:

Page 301, after line 50, insert:

"L. From nongeneral funds provided by the Virginia Natural and Historic Resources Fund for the Virginia Land Conservation Fund, the Virginia Land Conservation Foundation may provide a grant to the Nature Conservancy of up to \$1,000,000 to acquire a permanent easement on approximately 2,000 acres in Powhatan County owned by the Sisters of the Blessed Sacrament. This appropriation is contingent on written certification to the Chairmen of the House Appropriations and Senate Finance Committees, by the Secretary of Natural Resources that this property presently represents the best use of these land conservation funds, and that matching funds will be made available to secure the easement. Certification by the Secretary must be made sixty days prior to the purchase of the easement."

Natural Resources Item 383 #11s
Department Of Conservation And Recreation
Language

Language:

Page 301, following line 50, insert:

“L. No funds shall be expended or authorized by the Department of Conservation and Recreation for the development of a state park on the property transferred from the Beaumont Juvenile Correctional Center until completion of the park master plan, which shall include adequate opportunity for public participation in the planning process. Nothing in this item shall preclude the Department from making necessary arrangements to secure the property in accordance with the terms of transfer from the Department of Juvenile Justice or from undertaking alterations necessary for public safety. The Department shall notify the Chairmen of the House Appropriations and Senate Finance Committees sixty days prior to any alterations to the property that are pursuant to development of a state park.”

Natural Resources			Item 383 #14s
Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$14,812,500	\$14,812,500	NGF

Language:

Page 300, line 1, strike “\$25,666,442” and insert “\$40,478,942”.

Page 300, line 1, strike “\$25,666,442” and insert “\$40,478,942”.

Page 301, line 15, strike “H.”, and insert “H.1.”.

Page 301, line 22, after “funding;”, insert “descriptions of projects that received funding;”

Page 301, after line 24, insert:

“2. Included in the amount for Preservation for Open Space Lands is \$14,821,500 from nongeneral funds each year to be deposited into the Virginia Land Conservation Fund, §10.1-1012, Code of Virginia. The source of these nongeneral funds is the Virginia Natural and Historic Resources Fund pursuant to the “Virginia Investment Act” (SB 635, 2004 Session).

3. The Chairman of the Virginia Land Conservation Foundation or his designee, shall review the criteria used to evaluate grant applications. Based on this review, the Foundation shall develop new review criteria that better quantify the relative merits of each prospective grant parcel. The measurable criteria shall include, but are not limited to the following: the status of the parcel under a locality's master plan as a Chesapeake Bay Preservation Area, (2) the degree to which securing the parcel will protect local drinking water supplies, (3) the degree to which the parcel satisfies recreational needs of population centers, or other recreational needs as identified in the Virginia Outdoors Plan, (4) the extent to which the affected localities have identified the parcel as having important local water quality or recreational benefits, (5) other criteria that are relevant to the particular classes of open space preservation provided under Virginia law, and (6) the cost effectiveness of the parcel in satisfying these criteria compared to alternatives. By November 19, 2004 copies of the proposed revisions to the grant review criteria shall be provided to the Chairmen of the House Committees on Appropriations, and Agriculture, Chesapeake and Natural Resources, and the Senate Committees on Finance and Agriculture, Conservation and Natural Resources.

4. Beginning November 1, 2005, and annually thereafter, the Chairman of the Virginia Land Conservation Foundation shall submit a report to the Chairmen of the House Committees on Appropriations, and Agriculture, Chesapeake and Natural Resources, and the Senate Committees on Finance and Agriculture, Conservation and Natural Resources, and the Director of the Department of Planning and Budget on the activities of the Virginia Land Conservation Foundation including, but not limited to: implementation of the Foundation's strategic plan; projects under consideration for funding, with their scores on the new grant review criteria developed under section “I.2” above; projects funded, with their scores on the new grant review criteria developed in section “I.2” above,

expenditures from, interest earned by, and financial obligations of the Virginia Land Conservation Fund.”.

Natural Resources			Item 383 #15s
Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$569,476	\$521,476	GF
	14.00	14.00	FTE

Language:

Page 300, line 1, strike “\$25,666,442” and insert “\$26,235,918”.

Page 300, line 1, strike “\$25,666,442” and insert “\$26,187,918”.

Natural Resources			Item 384 #1s
Department Of Environmental Quality	FY 04-05	FY 05-06	
	\$50,000	\$50,000	GF

Language:

Page 302, line 6, strike “\$19,202,376” and insert “\$19,252,376”.

Page 302, line 6, strike “\$19,200,627” and insert “\$19,250,627”.

Page 302, line 20, strike “Notwithstanding”, and insert “A. Notwithstanding”

Page 302, after line 25, insert:

“B. Out of the appropriation for Administrative and Support Services, \$50,000 is provided each year from the general fund for a review of the efficiency and effectiveness of the Department's pollution permit programs, pursuant to Senate Bill 365 (2004 Session).”

Natural Resources			Item 385 #1s
Department Of Environmental Quality	FY 04-05	FY 05-06	
	\$400,000	\$400,000	GF
	\$6,030,427	\$6,030,427	NGF

Language:

Page 302, line 26, strike “\$35,095,230” and insert “\$41,525,657”.

Page 302, line 26, strike “\$35,012,786” and insert “\$41,443,213”.

Page 303, strike lines 32 to 47.

Natural Resources			Item 386 #1s
Department Of Environmental Quality	FY 04-05	FY 05-06	
	(\$150,000)	(\$150,000)	GF

Language:

Page 303, line 48, strike “\$8,339,506” and insert “\$8,189,506”.

Page 303, line 48, strike “\$8,371,076” and insert “\$8,221,076”.

Natural Resources			Item 388 #2s
Department Of Environmental Quality	FY 04-05	FY 05-06	
	\$1,700,000	\$0	NGF

Language:

Page 304, line 18, strike “\$60,303,091” and insert “\$62,003,091”.

Page 305, after line 14, insert:

“F. Notwithstanding the distribution specified in §10.1-2135, the Comptroller shall transfer \$1,700,000 from the Natural and Historic Resources Fund in the first year to the Combined Sewer Overflow Matching Fund, §62.1-241.12, Code of Virginia. From the Combined Sewer Overflow

Matching Fund, the City of Richmond shall receive \$1,300,000 in the first year, and the City of Lynchburg shall receive \$400,000 in the first year to match federal funds received by each city. This appropriation shall count against the Department's transfer in the first year from the Virginia Natural and Historic Resources Fund for point-source programs.”

Natural Resources			Item 388 #4s
Department Of Environmental Quality	FY 04-05	FY 05-06	
	\$197,000	\$265,126	GF

Language:

Page 304, line 18, strike “\$60,303,091” and insert “\$60,500,091”.

Page 304, line 18, strike “\$54,419,021” and insert “\$54,684,147”.

Page 304, line 50, strike “\$100,000 the first year”, and insert “\$297,000 the first year from the general fund and \$256,126 the second year”.

Page 304, line 54, strike “and Virginia Beach” and insert “Virginia Beach, and the Elizabeth River Restoration Trust”.

Natural Resources			Item 388 #5s
Department Of Environmental Quality	FY 04-05	FY 05-06	
	\$600,000	\$0	NGF

Language:

Page 304, line 18, strike “\$60,303,091” and insert “\$60,903,091”.

Page 305, after line 14, insert:

“F. Included in the amount for Construction Assistance is \$600,000 from nongeneral funds in the first year for public water needs assessment planning in the Lenowisco, Cumberland Plateau, and Mount Rogers Planning District Commissions in the amount of \$200,000 per planning district.”

Natural Resources			Item 388 #6s
Department Of Environmental Quality	FY 04-05	FY 05-06	
	\$5,706,250	\$7,406,250	NGF

Language:

Page 304, line 18, strike “\$60,303,091” and insert “\$66,009,341”.

Page 304, line 18, strike “\$54,419,021” and insert “\$61,825,271”.

Page 305, after line 14, insert:

“F.1. Out of the amounts for Environmental Technical and Financial Assistance, \$5,706,250 from nongeneral funds in the first year and \$7,406,250 from nongeneral funds in the second year shall be deposited to the Virginia Water Quality Improvement Fund established under the Water Quality Improvement Act of 1997, Title 10.1, Chapter 21.1, Code of Virginia. The source of funds for these nongeneral fund deposits is the Virginia Natural and Historic Resources Fund pursuant to the “Virginia Investment Act” (SB 635, 2004 Session).

2. Beginning in its January 2005 Annual Report on the Virginia Water Quality Improvement Fund, the Department shall provide the following additional information for approved projects: (1) annual projections of the nutrient reductions from the grant project out to either the year the facility will reach design capacity or ten years, whichever is longer, (2) the impact the project will have on nutrient reduction goals for any associated tributary strategy, and (3) the discounted net present

value of the grant award in terms of dollars per ton of nutrients removed based on the projections included in "F.2.(1)".

Natural Resources			Item 388 #7s
Department Of Environmental Quality	FY 04-05	FY 05-06	
	\$60,000	\$60,000	NGF
	1.00	1.00	FTE

Language:

Page 304, line 18, strike "\$60,303,091" and insert "\$60,363,091".

Page 304, line 18, strike "\$54,419,021" and insert "\$54,479,021".

Page 305, after line 14, insert:

"F. Pursuant to §10.1-2135.C.3, Code of Virginia, the amount for Environmental Technical and Financial Assistance includes \$60,000 each year from the Virginia Natural and Historic Resources Fund for operating expenses of the point source water quality programs funded by the Water Quality Improvement Fund, including grants to localities for waste water treatment facility upgrades."

Natural Resources			Item 388 #8s
Department Of Environmental Quality	FY 04-05	FY 05-06	
	(\$1,102,500)	\$0	GF

Language:

Page 304, line 18, strike "\$60,303,091" and insert "\$59,200,591".

Page 305, line 3, strike "\$5,752,500", and insert "\$3,020,000".

Natural Resources			Item 388 #9s
Department Of Environmental Quality	FY 04-05	FY 05-06	
	(\$1,630,000)	\$0	GF

Language:

Page 304, line 18, strike "\$60,303,091" and insert "\$58,673,091".

Page 305, strike lines 8 to 14.

Natural Resources			Item 393 #1s
Department Of Game And Inland Fisheries	FY 04-05	FY 05-06	
	\$10,000	\$20,000	NGF

Language:

Page 307, line 9, strike "\$34,989,619" and insert "\$34,999,619".

Page 307, line 9, strike "\$34,989,619" and insert "\$35,009,619".

Page 307, after line 35, insert:

"C. The Department shall maintain operation of, and visitor access to, state-owned fish hatcheries. To offset the costs of supervising visitors at hatcheries, the Department may charge a fee of up to \$1.00 per visitor."

Natural Resources			Item 393 #4s
Department Of Game And Inland Fisheries	FY 04-05	FY 05-06	
	(\$733,361)	(\$733,361)	GF

Language:

Page 307, line 9, strike "\$34,989,619" and insert "\$34,256,258".

Page 307, line 9, strike "\$34,989,619" and insert "\$34,256,258".

Page 307, strike lines 29 to 35.

Natural Resources			Item 399 #1s
Marine Resources Commission	FY 04-05	FY 05-06	
	\$637,000	\$511,500	GF
	10.00	10.00	FTE

Language:

Page 310, line 19, strike "\$11,451,099" and insert "\$12,088,099".

Page 310, line 19, strike "\$11,451,099" and insert "\$11,962,599".

Natural Resources			Item 400 #1s
Marine Resources Commission			
			Language

Language:

Page 311, line 28, strike "Out" insert "A. Out".

Page 311, after line 32, insert "B. The Marine Resources Commission shall not resume the collection of fees and royalties for the use of state-owned submerged bottomlands assessed by the Commission under the provisions of §28.2-1206.B, Code of Virginia until such time as the collection of those fees is expressly authorized by the General Assembly. This prohibition shall not prevent the assessment and collection of fees for the removal of state-owned bottom lands under §28.2-1206.C of the Code of Virginia."

Natural Resources			Item 402 #1s
Virginia Museum Of Natural History	FY 04-05	FY 05-06	
	\$0	(\$56,829)	GF

Language:

Page 312, line 2, strike "\$2,149,293" and insert "\$2,092,464".

Page 312, after line 11, strike "Out" and insert "A. Out".

Page 312, after line 17, insert:

"B. The Virginia Museum of Natural History shall review the feasibility of funding operating positions, including development activities, through increased grants and other voluntary contributions from the public and private sectors, or through cooperative arrangements with other organizations. The review shall address the operating needs of the new museum building in Martinsville. Copies of the review shall be provided to the Chairmen of the House Appropriations and Senate Finance Committees no later than November 30, 2004."

Public Safety			Item 404 #2s
Commonwealth's Attorneys' Services Council			
			Language

Language:

Page 313, strike lines 28-34.

Public Safety			Item 410 #3s
Department Of Corrections, Central Activities			
			Language

Language:

Page 316, following line 57, insert:

“H. The Department of Corrections shall develop preliminary plans for construction of a medium security prison, in addition to those authorized in this act, and shall present such plans to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees no later than December 1, 2004. The plans may consider either or both construction and operation of such prison under this act, the Public Private Education and Infrastructure Act, the Corrections Private Management Act, or such other means as may be appropriate. The Department shall give first priority consideration to locating such prison within the Mount Rogers Planning District. The next priority for the location of a subsequent facility shall be given to a location within Charlotte County.”

Public Safety			Item 415 #1s
Division Of Community Corrections	FY 04-05	FY 05-06	
	\$926,551	\$1,463,224	GF
	25.00	25.00	FTE

Language:

Page 317, line 40, strike “\$58,809,844” and insert “\$59,736,395”.

Page 317, line 40, strike “\$58,809,844” and insert “\$60,273,068”.

Public Safety		Item 416 #1s
Division Of Community Corrections		
		Language

Language:

Page 319, following line 19, insert:

“4. The Pamunkey Regional Jail Authority, in order to proceed in planning for an expansion project. Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, the Authority may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session.”

Public Safety		Item 416 #2s
Division Of Community Corrections		
		Language

Language:

Page 319, following line 19, insert:

“4. The Hampton Roads Regional Jail Authority, and its member jurisdictions, in order to proceed with the planning study for expansion of the secure detention space at the Hampton Roads Regional Jail complex and/or within the local jurisdictions, to serve the projected requirements for the region. Specific capital project recommendations resulting from this study shall be subject to the approval of the General Assembly prior to final approval by the Board of Corrections.”

Public Safety		Item 416 #3s
Division Of Community Corrections		
		Language

Language:

Page 319, following line 19, insert:

“4. The Portsmouth City Jail, in order to proceed in planning for replacement facilities, to consist of secure detention space to be constructed at the Hampton Roads Regional Jail complex.

Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, the Hampton Roads Regional Jail Authority may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session.”

Public Safety Item 416 #4s
Division Of Community Corrections Language

Language:

Page 319, following line 19, insert:

“4. The County of Gloucester, in order to proceed in planning for an expansion project for the Gloucester County Jail. Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, the County may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session.”

Public Safety Item 416 #5s
Division Of Community Corrections Language

Language:

Page 319, following line 19, insert:

“4. The County of Roanoke and City of Salem, in order to proceed in planning for an expansion project for the Roanoke County-Salem Jail. Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, Roanoke County and the City of Salem may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session.”

Public Safety Item 416 #7s
Division Of Community Corrections Language

Language:

Page 319, following line 19, insert:

“4. The County of Pittsylvania, in order to proceed in planning for a renovation project for the Pittsylvania County Jail. Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, Pittsylvania County may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session.”

Public Safety Item 416 #8s
Division Of Community Corrections Language

Language:

Page 319, following line 19, insert:

“4. The Riverside Regional Jail Authority, in order to proceed in planning for an expansion project. Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, the Authority may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session.”

Public Safety

Item 416 #9s

Division Of Community Corrections

Language

Language:

Page 319, strike line 9 and insert:

“for an expansion project involving the development of a new community corrections facility with approximately 204 beds and a 120-bed expansion to the existing regional jail.”

Public Safety

Item 416 #11s

Division Of Community Corrections

Language

Language:

Page 319, line 20, insert:

“C. The Board of Corrections shall not approve or commit additional funds for the state share of the cost of construction, enlargement, or renovation of a local or regional jail facility, except when such project is consistent with the projected number of local and state responsible offenders to be housed in such facility.”

Public Safety

Item 416 #12s

Division Of Community Corrections

Language

Language:

Page 319, following line 19, insert:

“4. The Rappahannock Regional Jail Authority, in order to proceed in planning for an expansion project. Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, the Authority may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session.”

Public Safety

Item 416 #13s

Division Of Community Corrections

Language

Language:

Page 319, line 20, insert:

“C. The Board of Corrections shall not approve or commit additional funds for the state share of the cost of construction, enlargement, or renovation of a local or regional jail facility, except when such project is proposed to be built using Community Custody Facilities Standards as adopted by the

Board, unless the use of more expensive construction standards is justified, based on a documented projection of offender populations that would require a higher level of security.”

Public Safety Item 416 #14s
Division Of Community Corrections Language

Language:

Page 319, following line 19, insert:

“C. The Hampton Roads Regional Jail Authority, with the assistance of the Departments of Corrections and Mental Health, Mental Retardation and Substance Abuse Services, may prepare a preliminary report on the feasibility of developing a specialized facility at the regional jail complex for jail inmates referred by the criminal courts of the Commonwealth for evaluation and treatment, pursuant to the provisions of Chapter 11 of Title 19.2 of the Code of Virginia. Such facility would be owned by the Hampton Roads Regional Jail Authority, and operated under contract by the Department of Mental Health, Mental Retardation and Substance Abuse Services, with the goal of reducing waiting times for emergency treatment, evaluation of competency to stand trial and/or sanity, and restoration to competency to stand trial. The Departments of Corrections and Mental Health, Mental Retardation and Substance Abuse Services shall provide all necessary technical assistance to support this study in cooperation with the Hampton Roads Regional Jail Authority. A report on this study shall be provided to the Secretaries of Public Safety and Health and Human Resources, the Chairmen of the Senate Finance and House Appropriations Committees, and the Chairman of the Joint Commission on Health Care, by October 15, 2004.”

Public Safety Item 419 #1s
Division Of Institutions Language

Language:

Page 320, line 15, before “To”, insert “A.”.

Page 320, after line 17, insert:

“B. The Governor may authorize or direct the transfer of prisoner labor, or of farm commodities produced, at any state agency to any other state agency. It is further provided that unit prices of foodstuffs or other commodities produced on farms shall be fixed on a basis no more frequently than semiannually by the Director, Department of Corrections. These unit prices shall be the basis for charging the value of foods produced by the farms and consumed by the producing agencies or sold to other state agencies of the Commonwealth under the provisions of § 2.2-1116, Code of Virginia.”

Public Safety			Item 420 #1s
Division Of Institutions	FY 04-05	FY 05-06	
	\$894,000	\$894,000	GF
	15.00	15.00	FTE

Language:

Page 320, line 18, strike “\$405,086,042” and insert “\$405,980,042”.

Page 320, line 18, strike “\$407,600,523” and insert “\$408,494,523”.

Public Safety			Item 420 #2s
Division Of Institutions	FY 04-05	FY 05-06	
	(\$635,408)	(\$1,980,665)	GF

Language:

Page 320, line 18, strike "\$405,086,042" and insert "\$404,450,634".
 Page 320, line 18, strike "\$407,600,523" and insert "\$405,619,858".

Public Safety			Item 420 #3s
Division Of Institutions	FY 04-05	FY 05-06	
	\$1,445,715	\$1,445,715	GF

Language:

Page 320, line 18, strike "\$405,086,042" and insert "\$406,531,757".
 Page 320, line 18, strike "\$407,600,523" and insert "\$409,046,238".

Public Safety			Item 420 #4s
Division Of Institutions	FY 04-05	FY 05-06	
	\$250,000	\$250,000	NGF

Language:

Page 320, line 18, strike "\$405,086,042" and insert "\$405,336,042".
 Page 320, line 18, strike "\$407,600,523" and insert "\$407,850,523".
 Page 320, line 33, strike "100,000" and "100,000" and insert "150,000" and "150,000".
 Page 320, line 34, strike "Prison Family Support Services" and insert "Assisting Families of Inmates".
 Page 320, line 35, strike "100,000" and "100,000" and insert "300,000" and "300,000".

Public Safety			Item 420 #5s
Division Of Institutions			
			Language

Language:

Page 321, line 31, after "D." insert "1."
 Page 321, line 31, strike "may" and insert "shall".
 Page 321, following line 36, insert:
 "2. The Department shall prepare a plan to house a total of 1,000 state-responsible offenders in such local and regional jails as it may deem appropriate, pursuant to the jail contract bed program, during the 2004-06 biennium. As a companion to this plan, the Department shall submit a budget amendment to the Department of Planning and Budget requesting the anticipated funds required to implement this plan, either in full or in part. As approved by the Secretary of Public Safety, the plan and associated request for funding shall be presented to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees by September 15, 2004."

Public Safety			Item 427 #1s
Department Of Criminal Justice	FY 04-05	FY 05-06	
Services	\$433,260	\$519,912	GF
	12.00	12.00	FTE

Language:

Page 324, line 13, strike "\$27,463,414" and insert "\$27,896,674".
 Page 324, line 13, strike "\$27,463,414" and insert "\$27,983,326".

Public Safety			Item 430 #2g
Department Of Criminal Justice	FY 04-05	FY 05-06	
Services	\$101,620	\$101,620	GF

Language:

Page 324, line 40, strike "\$65,420,178" and insert "\$65,521,798".
 Page 324, line 40, strike "\$65,420,178" and insert "\$65,521,798".
 Page 325, line 21, strike "\$914,585" and insert "\$1,016,205".
 Page 325, line 21, strike "\$914,585" and insert "\$1,016,205".

Public Safety				Item 430 #3s
Department Of Criminal Justice	FY 04-05	FY 05-06		
Services	\$220,000	\$220,000		GF

Language:

Page 324, line 40, strike "\$65,420,178" and insert "\$65,640,178".
 Page 324, line 40, strike "\$65,420,178" and insert "\$65,640,178".

Public Safety				Item 430 #8s
Department Of Criminal Justice	FY 04-05	FY 05-06		
Services	\$146,250	\$146,250		GF

Language:

Page 324, line 40, strike "\$65,420,178" and insert "\$65,566,428".
 Page 324, line 40, strike "\$65,420,178" and insert "\$65,566,428".
 Page 325, line 40, strike "828,750" and "828,750" and insert "975,000" and "975,000".

Public Safety				Item 430 #10s
Department Of Criminal Justice	FY 04-05	FY 05-06		
Services	\$2,184,000	\$2,184,000		GF

Language:

Page 324, line 40, strike "\$65,420,178" and insert "\$67,604,178".
 Page 324, line 40, strike "\$65,420,178" and insert "\$67,604,178".
 Page 325, line 42, strike "18,620,828" and insert "20,804,828".
 Page 325, line 43, strike "18,620,828" and insert "20,804,828".
 Page 326, strike lines 22-40.

Public Safety				Item 430 #11s
Department Of Criminal Justice	FY 04-05	FY 05-06		
Services	\$83,600	\$75,850		GF
	1.00	1.00		FTE

Language:

Page 324, line 40, strike "\$65,420,178" and insert "\$65,503,778".
 Page 324, line 40, strike "\$65,420,178" and insert "\$65,496,028".

Public Safety				Item 432 #2s
Department Of Criminal Justice Services				
				Language

Language:

Page 328, strike lines 12-18.
 Page 328, line 19, strike "C" and insert "B".

Public Safety				Item 436 #2s
Department Of Fire Programs	FY 04-05	FY 05-06		
	(\$1,250,000)	\$0		GF

Language:

Page 329, line 32, strike "\$18,373,574" and insert "\$17,123,574".

Public Safety

Item 441 #1s

Department Of Juvenile Justice

FY 04-05

FY 05-06

\$788,289

\$788,289

GF

Language:

Page 331, line 41, strike "\$51,878,246" and insert "\$52,666,535".

Page 331, line 41, strike "\$51,878,246" and insert "\$52,666,535".

Public Safety

Item 445 #1s

Department Of Juvenile Justice

Language

Language:

Page 334, strike lines 18-25.

Public Safety

Item 445.1 #1s

Department Of Juvenile Justice

FY 04-05

FY 05-06

\$175,887

\$0

GF

Language:

Page 334, following line 25, insert:

"445.1 Corrections Special Reserve Fund (35900).....\$175,887.....\$0

Corrections Operating Special Reserve (35901).....\$175,887.....\$0

A. From the appropriation in this Item, \$175,887 the first year is provided for the estimated increase in the operating costs of juvenile correctional facilities resulting from the enactment of Senate Bill 339, as engrossed.

B. The funds shall be paid into the Corrections Special Reserve Fund, established in accordance with Section 30-19.1:4 of the Code of Virginia."

Public Safety

Item 456 #4s

Department Of State Police

Language

Language:

Page 338, line 11, strike line 11 and insert "This appropriation includes"

Page 338, line 15, after "sworn personnel" strike "is" and insert "."

Page 338, strike lines 16 through 19.

Technology

Item 463 #1s

Virginia Information Technologies Agency

Language

Language:

Page 342, following line 56, insert:

"D. The provisions of Title 2.2, Chapter 20.1 of the Code of Virginia shall not apply to the Virginia Port Authority."

Technology

Item 463 #1s

Virginia Information Technologies Agency

Language

Language:

Page 342, after line 56, insert:

“D. The requirement that the Department of Mental Health, Mental Retardation, and Substance Abuse Services purchase information technology equipment or services from the Virginia Information Technologies Agency according to the provisions of Chapters 981 and 1021, Acts of Assembly of 2003 shall not adversely impact the provision of services to mentally disabled clients.”

Technology

Item 463 #3s

Virginia Information Technologies Agency

Language

Language:

Page 342, following line 56, insert:

“D. The provisions of Title 2.2, Chapter 20.1 of the Code of Virginia shall not apply to the Department of State Police.”.

Technology

Item 463 #4s

Virginia Information Technologies Agency

Language

Language:

Page 342, following line 56, insert:

“D. The Information Technology Investment Board in addition to the responsibilities as set forth in the 9th Enactment clause of Chapter 981 of the 2003 Acts of the Assembly, shall have the authority to postpone the implementation schedule of any state agency by a vote of the majority of members. The members may consider the following reasons for postponement: security and sensitivity of information, adverse economic affects on participants' benefits, unusual effects on the agency's budget, or other matters that could adversely effect the Commonwealth's operations in the opinion of the Chief Information Officer.”.

Technology

Item 463 #5s

Virginia Information Technologies Agency

Language

Language:

Page 342, following line 56, insert:

“D. The Department of Human Resource Management shall review and may approve all compensation actions for employees of the Virginia Information Technologies Agency.”.

Technology

Item 466 #1s

Virginia Information Technologies

FY 04-05

FY 05-06

Agency

(\$7,279,630)

(\$600,000)

GF

Language:

Page 343, line 30, strike “\$14,932,851” and insert “\$7,653,221”.

Page 343, line 30, strike “\$8,185,999” and insert “\$7,585,999”.

Page 344, strike lines 49 to 56.

Transportation

Item 470 #1s

Department Of Aviation

Language

Language:

Page 350, after line 12, insert:

“The Director, Department of Aviation, shall prepare general guidelines regarding aircraft acquisition and use that shall include a requirement for state agencies to develop written policies on usage, charge rates and record keeping. The Director shall examine the aircraft needs of state agencies and determine the most efficient and effective method of organizing and managing the Commonwealth's aircraft operations. The Director shall implement the aircraft management system he determines to be most suitable and revise it periodically as the need arises.”

Transportation Item 474 #1s
Department Of Aviation

Language

Language:

Page 351, strike lines 26 through 30.

Transportation Item 475 #2s
Department Of Motor Vehicles

Language

Language:

Page 351, line 44, insert “A.” before “The”.

Page 351, after line 46, insert:

“B. The Auditor of Public Accounts shall conduct a follow-up status review of his November 13, 2003, report entitled “Department of Motor Vehicles Cost Analysis Special Report.” The report shall specifically address the progress of the Department of Motor Vehicles' efforts to implement the cost methodology and develop effective productivity measures as recommended. In addition, the Auditor should report on the changes to the Department of Motor Vehicles budget processes to ensure that these activities include the development and monitoring of the budget, including all funding sources and overall financial policy. The Auditor shall submit his findings and any recommendations by December 1, 2004, to the Governor and the Secretary of Transportation and to the Chairmen of the House Committees on Transportation and Appropriations and to the Chairmen of the Senate Committees on Transportation and Finance.

C. The Department of Motor Vehicles shall work with the Secretary of Transportation to develop performance goals and strategies in budget amendments to be submitted for review and approval by the 2005 Session. Goals and strategies shall be based on realistic assumptions of revenues and appropriations, and shall address the major activities of the agency, including: (1) Driver Licensing; (2) Driver Monitoring; (3) Driver Reinstatement; (4) Vehicle Titling and Registration; (5) Vehicle Insurance Monitoring; (6) Dealer Licensing and Regulation; and (7) Customer Records and Information.”

Transportation Item 482 #1s
Department Of Rail And Public FY 04-05 FY 05-06
Transportation \$408,000 \$408,000 NGF

Language:

Page 353, line 27, strike “\$155,507,039” and insert “\$155,915,039”.

Page 353, line 27, strike “\$252,963,017” and insert “\$253,371,017”.

Page 354, after line 58, insert:

“I. Out of the amounts for this Item, \$408,000 the first year and \$408,000 the second year shall be provided to the Greater Richmond Transit Company (GRTC) to continue two express bus operations of GRTC routes previously approved by the Board of Supervisors of Chesterfield County. To receive the funding, Chesterfield County shall match such monies on a dollar-for-dollar basis, and shall

communicate its decision to participate in the program to the department no later than 30 days after enactment of this act. If the County elects not to participate, then the monies shall be made available for other programs and projects.”

Transportation Item 482 #3s
 Department Of Rail And Public Transportation Language

Language:

Page 353, line 35, after “A.”, insert “1.”
 Page 353, after line 38, insert:
 “2. Not included in this appropriation is an amount estimated at \$10,122,400 the first year and \$10,403,000 the second year allocated directly to transit agencies from federal sources for the Surface Transportation Program (STP) and the Minimum Guarantee program.”

Transportation Item 483 #3s
 Department Of Rail And Public Transportation Language

Language:

Page 355, line 6, insert “A.” before “Out”.
 Page 355, after line 14, insert:
 “B. The Department shall report to the Secretary of Transportation and to the Chairmen of the Senate Committees on Finance and Transportation and to the Chairmen of the House Committees on Appropriations and Transportation by January 10, 2005, on the status of the Trans Dominion Express. The report shall include updated operating and capital costs to establish the line and potential funding sources. In addition, the report shall identify nonfinancial issues requiring resolution before the line can be started.”

Transportation Item 483 #4s
 Department Of Rail And Public Transportation Language

Language:

Page 355, line 6, before “Out” insert “A.”.
 Page 355, after line 14, insert:
 “B. The department shall develop cost estimates for establishing commuter rail service in time for the Jamestown 2007 Commemoration from Richmond City's Main Street Station to the City of Williamsburg via the Richmond International Airport. The estimates shall be submitted by December 30, 2004 to the Secretary of Transportation and to the Chairmen of the Senate Finance and Transportation Committees and to the Chairmen of the House Appropriations and Transportation Committees.”

Transportation Item 484 #3s
 Department Of Transportation Language

Language:

Page 356, after line 26, insert:
 “G. The Auditor of Public Accounts shall conduct a follow-up status review of his July 8, 2002, report entitled “Special Review of the Cash Management and Capital Budgeting Practices” for the Department of Transportation. The Auditor shall specifically review Transportation's

implementation of the cash and expenditure forecasting model, project cost estimating system and the development of the Six Year Program as a financially constrained capital budget. The Auditor shall include Transportation's progress on implementing all other recommendations within the July 8, 2002 report. The Auditor shall report his findings to the Governor and the Secretary of Transportation and to the Chairmen of the House Committees on Transportation and Appropriations and to the Chairmen of the Senate Committees on Transportation and Finance no later than December 1, 2004.

H. The Department of Transportation shall work with the Secretary of Transportation to develop performance goals and strategies in budget amendments to be submitted for review and approval by the 2005 Session. Goals and strategies shall be based on realistic assumptions of revenues and appropriations, and shall address the major activities of the agency, including: (1) Highway System Maintenance; (2) Highway System Construction; (3) Financial Planning, Management, and Accountability; (4) Toll Facilities Operations and Management; (5) Environmental Evaluation and Planning; (6) Traffic Engineering; and (7) Transportation Research.”

Transportation Item 484 #4s
Department Of Transportation

Language

Language:

Page 356, after line 26, insert:

“G. The department is authorized to donate the Marion Residency to the Town of Marion or to Smyth County for economic development purposes.”

Transportation Item 488 #3s
Department Of Transportation

Language

Language:

Page 357, after line 48, insert:

“C.1. The department shall adhere to the policy set by the 2002 Session of the General Assembly concerning the application of tolls or user fees on Interstate 81 in signing any comprehensive agreement pursuant to the Public-Private Transportation Act of 1995. State law prohibits the imposition of tolls or user fees on Interstate 81 on passenger cars, pickup or panel trucks, and motorcycles as such terms are defined in § 46.2-200, Code of Virginia. Unless the Federal Highway Administration exercises its authority to approve a pilot project for Interstate 81 permitting the use of tolls on passenger cars, this policy continues.

2. It is the intent of the General Assembly that the Commonwealth Transportation Board proceed with the environmental study of the Interstate 81 reconstruction project and that this study consider and incorporate the mitigating impacts of various rail options on the environment.”

Transportation Item 492 #2s
Department Of Transportation

Language

Language:

Page 358, after line 49, insert:

“C. Out of the amounts for Financial Assistance for Planning, Access Roads, and Special Projects, \$50,000 the first year and \$50,000 the second year from the Commonwealth Transportation Fund shall be provided to support the transportation planning activities of the Northern Virginia

Transportation Authority. The Authority shall comply with all applicable federal and state regulations to receive the monies.”

Transportation			Item 493 #1s
Department Of Transportation			
			Language

Language:

Page 360, after line 23, insert:
 “3. Contingent upon the availability of additional revenues, projects identified as part of the U.S. Route 58 Corridor Development Program shall be afforded the highest priority in terms of funding within their respective districts.”

Transportation			Item 493 #2s
Department Of Transportation	FY 04-05	FY 05-06	
	(\$167,839,911)	(\$179,040,289)	GF

Language:

Page 359, line 2, strike “\$469,767,289” and insert “\$301,927,378”.
 Page 359, line 2, strike “\$512,134,870” and insert “\$333,094,581”.
 Page 363, strike lines 10 through 27.

Central Appropriations			Item 502 #2s
Central Appropriations			
			Language

Language:

Page 369, after line 57, insert:
 “E. There is hereby appropriated to the Tobacco Indemnification and Community Revitalization Endowment all proceeds of any sale of the Commission Allocation pursuant to the provisions of Chapter 482 of the 2002 Acts of Assembly.”

Central Appropriations			Item 502 #3s
Central Appropriations			
			Language

Language:

Page 369, after line 57, insert:
 “E. The Tobacco Indemnification and Community Revitalization Commission shall develop recommendations on how Virginia Non-Participating Manufacturers (NPM) to the Master Settlement Agreement (MSA) may join the MSA in a manner that will not lead to a loss of jobs by the NPMs and will maximize revenue for the Commonwealth. In developing the recommendations the Commission shall examine these measures from the 2004 Session -- Senate Bill 649, Senate Bill 675, House Bill 345, and House Bill 1428 -- as well as manufacturers assessment proposals suggested by the NPMs. Recommendations shall be submitted to the Senate Committees on Finance and Agriculture, Conservation and Natural Resources, the House Committees on Appropriations and Agriculture, Chesapeake and Natural Resources, the Governor and the Attorney General by November 1, 2004.”

Central Appropriations			Item 504 #1s
Central Appropriations	FY 04-05	FY 05-06	
	(\$25,774,963)	(\$130,796,357)	GF

Language:

Page 370, line 26, strike "\$25,774,963" and insert "\$0".

Page 370, line 26, strike "\$130,796,357" and insert "\$0".

Page 370, strike lines 25 to 49.

Central Appropriations			Item 505 #3s
Central Appropriations	FY 04-05	FY 05-06	
	\$752,935	\$1,390,036	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$12,811,628".

Page 370, line 50, strike "\$116,397,852" and insert "\$117,787,888".

Page 376, following line 39, insert:

"P.1. In addition to the increase authorized in paragraphs F to L of this item, \$752,935 the first year and \$1,390,036 the second year is included for a 2.1 percent competitive salary adjustment effective November 25, 2004 for Justices of the Supreme Court of Virginia and Judges of the Court of Appeals of Virginia, Circuit Courts, General District Courts, Juvenile and Domestic Relations District Courts, and Combined District Courts.

2. The Senate Finance Committee's Subcommittee on General Government and the House Appropriations Committee's Subcommittee on Compensation and Retirement shall review the compensation and benefits provided to judges and justices. The subcommittees shall provide their joint findings and recommendations to the Chairmen of the Senate Finance Committee and the House Appropriations Committee and the Chief Justice of the Supreme Court by November 1, 2004. The Executive Secretary of the Supreme Court and the Director of the Department of Human Resource Management shall provide such assistance as may be required."

Central Appropriations			Item 505 #5s
Central Appropriations	FY 04-05	FY 05-06	
	\$5,628,521	\$5,628,521	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$17,687,214".

Page 370, line 50, strike "\$116,397,852" and insert "\$122,026,373".

Page 372, following line 45, insert:

"F. In lieu of the salary increases authorized in paragraphs F to L of this Act, sworn officers of the Virginia Department of State Police shall receive an increase in base salary and related employee benefits equal to 6.42 percent on July 1, 2004. This increase is sufficient, when combined with actions provided for elsewhere in this Act, to bring the starting salary for State Troopers to \$33,000 per year."

Central Appropriations			Item 505 #7s
Central Appropriations	FY 04-05	FY 05-06	
	\$18,552,158	\$18,552,158	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$30,610,851".

Page 370, line 50, strike "\$116,397,852" and insert "\$134,950,010".

Page 372, following line 45, insert:

“F. In lieu of the salary increases authorized in paragraphs F to L of this Act, sheriffs, deputy sheriffs and regional jail officers shall receive an increase in base salary and related employee benefits equal to 6.42 percent on July 1, 2004.”

Central Appropriations			Item 505 #8s
Central Appropriations	FY 04-05	FY 05-06	
	\$26,950,128	\$49,753,994	GF

Language:

- Page 370, line 50, strike “\$12,058,693” and insert “\$39,008,821”.
- Page 370, line 50, strike “\$116,397,852” and insert “\$166,151,846”.
- Page 372, line 48, strike “2005” and insert “2004”.
- Page 372, line 54, strike “\$28,354,907” and insert “\$26,950,128” and “\$49,753,994”.

Central Appropriations			Item 505 #9s
Central Appropriations	FY 04-05	FY 05-06	
	\$8,351,502	\$12,602,567	GF

Language:

- Page 370, line 50, strike “\$12,058,693” and insert “\$20,410,195”.
- Page 370, line 50, strike “\$116,397,852” and insert “\$129,000,419”.
- Page 372, line 52, strike “2005” and insert “2004”.
- Page 374, line 55, strike “\$12,408,550” and insert “\$8,351,502” and “\$12,602,567”.

Central Appropriations			Item 505 #10s
Central Appropriations	FY 04-05	FY 05-06	
	\$397,880	\$397,880	GF

Language:

- Page 370, line 50, strike “\$12,058,693” and insert “\$12,456,573”.
- Page 370, line 50, strike “\$116,397,852” and insert “\$116,795,732”.
- Page 372, following line 45, insert:
 “F. Sworn officers of the Capitol Police Department shall receive an increase in base salary and related employee benefits to implement the Capitol Police Pay Plan on November 25, 2004. This increase is sufficient, when combined with actions provided for elsewhere in this Act to bring the starting salary for Capitol Police Officers to a level that is competitive with campus police.”

Central Appropriations			Item 505 #11s
Central Appropriations	FY 04-05	FY 05-06	
	\$0	(\$105,309,298)	GF

Language:

- Page 370, line 50, strike “\$116,397,852” and insert “\$11,088,554”.
- Page 372, strike lines 46 to 56.
- Page 373, strike lines 1 to 44.
- Page 374, strike lines 1 to 55.
- Page 375, strike lines 1 to 49.
- Page 376, strike lines 1 to 12.

Central Appropriations			Item 505 #12s
Central Appropriations	FY 04-05	FY 05-06	
	(\$3,593,030)	(\$2,254,819)	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$8,465,663".
Page 370, line 50, strike "\$116,397,852" and insert "\$114,143,033".
Page 376, strike lines 13 to 39.

Central Appropriations			Item 505 #13s
Central Appropriations	FY 04-05	FY 05-06	
	\$4,538,250	\$4,538,250	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$16,596,943".
Page 370, line 50, strike "\$116,397,852" and insert "\$120,936,102".
Page 372, following line 45, insert:
"F. Included in the amounts for Compensation Supplements is \$4,538,250 the first year and \$4,538,250 the second year to address salary compression issues for sworn officers of the Virginia Department of State Police."

Central Appropriations			Item 506 #1s
Central Appropriations	FY 04-05	FY 05-06	
	\$238,500	\$281,200	GF

Language:

Page 376, line 40, strike "\$28,999,720" and insert "\$29,238,220".
Page 376, line 40, strike "\$25,784,869" and insert "\$26,066,069".
Page 379, after line 39, insert:
"L. Out of this appropriation, \$238,500 the first year and \$281,200 the second year from the general fund is provided for the Department of General Services rent plan for unanticipated utility cost increases at the seat of government."

Central Appropriations			Item 506 #5s
Central Appropriations			
			Language

Language:

Page 378, line 40, insert:
"4. Out of these funds, the Center for Innovative Technology shall provide a three-year grant totaling \$500,000 each year to the Southeastern Universities Research Association, Inc. for the development of the Hampton Roads Research Institute."

Central Appropriations			Item 506 #7s
Central Appropriations			
			Language

Language:

Page 378, line 9, after "law.", insert:
"In accordance with Chapters 1019 and 1044, Acts of Assembly of 2000, the project list is amended to include state road improvements for the APM terminal to address costs beyond the funding capability of existing programs."

Central Appropriations			Item 507 #1s
Central Appropriations			
			Language

Language:

Page 379, strike lines 43-52.

Page 380, strike lines 1-5 and insert:

“A. This appropriation includes \$2,510,000 in each year from the general fund for implementing the Statewide Agencies Radio System (STARS) project.

B. This appropriation includes \$123,599 the first year and \$244,359 the second year from the general fund for the replacement of the existing two-way radio system at the Department of Forestry.”

Central Appropriations

Item 507 #2s

Central Appropriations

Language

Language:

Page 380, line 2, strike “is contingent upon the passage into law of the”.

Page 380, strike lines 3 through 5 and insert “.”.

Independent Agencies

Item 522 #1s

Virginia Retirement System

FY 04-05

FY 05-06

\$350,000

\$50,000

NGF

1.00

1.00

FTE

Language:

Page 386, line 2, strike “\$22,651,837” and insert “\$23,001,837”.

Page 386, line 2, strike “\$23,943,701” and insert “\$23,993,701”.

Page 386, following line 34, insert:

“Upon final approval of Senate Bill 284, introduced during the 2004 General Assembly Session, the Virginia Retirement System shall reimburse the Department of Human Resource Management for reasonable costs incurred in the administration of health insurance benefits related to the Line of Duty Act as mutually agreed upon by the Director of the Virginia Retirement System and the Director of the Department of Human Resource Management.”

Independent Agencies

Item 527 #1s

Virginia Office For Protection And

FY 04-05

FY 05-06

Advocacy

(\$55,000)

(\$55,000)

GF

Language:

Page 387, line 38, strike “\$1,226,106” and insert “\$1,171,106”.

Page 387, line 38, strike “\$1,226,106” and insert “\$1,171,106”.

General Conditions

Item C-0 #1s

General Conditions

Language

Language:

Page 392, following line 25, insert:

“9. A deposit equal to two percent of the annual value of any tax-supported debt issued by the Treasury Board, Virginia Public Building Authority or Virginia College Building Authority on or after July 1, 2004 shall be paid into the Capital Repairs and Improvements Revolving Fund up to the limits specified in Item C-194.1 of this act. The Treasurer of Virginia shall require these deposits as part of the bond covenants; however the covenants shall clearly state that any deposits required to

the Capital Repair and Improvement Fund shall not come either directly or indirectly from debt proceeds.”

General Conditions

Item C-0 #2s

General Conditions

Language

Language:

Page 393, following line 14, insert:

“L. Conditions Applicable to Alternative Financing

1. Any agency or institution of the Commonwealth that would construct, purchase, lease, or exchange a capital asset by means of an alternative financing mechanism, such as the Public Private Education Infrastructure Act, or similar statutory authority, shall provide a report to the Governor and the Chairmen of the Senate Finance Committee and the House Appropriations Committee no less than thirty days prior to entering into such alternative financing agreement. This report shall provide:

- a.) a description of the purpose to be achieved by the proposal,
- b.) a description of the financing options available, including the alternative financing, which will delineate the revenue streams or client populations pledged or encumbered by the alternative financing,
- c.) an analysis of the alternatives clearly setting out the advantages and disadvantages of each for the Commonwealth,
- d.) an analysis of the alternatives clearly setting out the advantages and disadvantages of each for the clients of the agency or institution, and
- e.) a recommendation and planned course of action based on this analysis.”

General Conditions

Item C-0 #3s

General Conditions

Language

Language:

Page 393, following line 14, insert:

“L. Conditions Applicable to Alternative Financing

1. The following individuals, and members of their immediate family, may not engage in an alternative financing arrangement with any agency or institution of the Commonwealth, where the potential for financial gain, or other factors may cause a conflict of interest or the perception of a conflict of interest:

- a) A member of the agency or institution's governing body;
- b) Any elected or appointed official of the Commonwealth or its agencies and institutions who has, or reasonably can be assumed to have, a direct influence on the approval of the alternative financing arrangement; or
- c) Any elected or appointed official of a participating political subdivision, or authority who has, or reasonably can be assumed to have, a direct influence on the approval of the alternative financing arrangement.”

Administration

Item C-3.1 #1s

Department Of General Services

FY 04-05

FY 05-06

\$0

\$2,497,000

NGF

Language:

Page 393, following line 25, insert:

“C-3.1. Improvements: Demolition of the 8th Street Office Building

\$2,497,000

Fund Sources: Bond Proceeds \$2,497,000”.

Commerce And Trade			Item C-6.10 #1s
Department Of Forestry	FY 04-05	FY 05-06	
	\$546,000	\$0	NGF

Language:

Page 394, following line 12, insert:
 “C-6.10. New Construction: Abingdon Shop and Cold Storage \$546,000
 Fund Sources: Bond Proceeds \$546,000”.

Commerce And Trade			Item C-6.10 #2s
Department Of Forestry	FY 04-05	FY 05-06	
	\$1,076,000	\$0	NGF

Language:

Page 394, following line 12, insert:
 “C-6.10. New Construction: Abingdon Shop and Cold Storage \$1,076,000
 Fund Sources: Bond Proceeds \$1,076,000”.

Education: Higher Education			Item C-15.1 #3s
The College Of William And Mary In Virginia	FY 04-05	FY 05-06	
	\$40,000,000	\$0	NGF

Language:

Page 395, line 13, insert:
 “C-15.1. New Construction: School of Business Building
 (16648) \$40,000,000 \$40,000,000
 Fund Sources: Bond Proceeds \$40,000,000”. \$40,000,000”.

1. Subject to Section 4-4.01x of this act and approval of a Final Project Proposal by the Commonwealth of Virginia, the General Assembly authorizes the College of William and Mary with the approval of the Governor, to explore and evaluate an alternative financing scenario to support construction of a new school of business facility or facilities on the main campus of the College.
2. The General Assembly authorizes the College of William and Mary to enter into a written agreement with the School of Business Foundation or other private entity to design, construct and finance a facility or facilities to provide classroom, faculty office, and other operational related academic and support space for the College's School of Business. The facility, or facilities, may be located on property owned by the Commonwealth of Virginia. The College of William and Mary is also authorized to enter into a written agreement with the School of Business Foundation or other private entity to lease a suitable site to the Foundation or private entity and to lease the facility or facilities from the Foundation or private entity once constructed.
3. The General Assembly further authorizes the College of William and Mary to enter into a written agreement with the School of Business Foundation or other private entity for the support of the facility or facilities by including the facility or facilities in the College's facility inventory and managing its operation and maintenance, and by otherwise supporting the facility or facilities consistent with law, provided that the College shall not be required to take any action that would constitute a breach of the College's obligations under any documents or other instruments constituting or securing bonds or other indebtedness of the College or the Commonwealth of Virginia.
4. The General Assembly further states its intent to permit construction of this project in accordance with state law, the College's nongeneral fund decentralization Memorandum of Understanding with the Secretaries of Administration and Finance, and with agreement by the School of Business

Foundation or other private entity to provide from private funds a substantial majority of the cost of the project and the funds necessary to retire any related debt service.

5. The College shall be responsible for ensuring all debt service payments on this project from private funds and student fees.”

Education: Higher Education			Item C-15.10 #1s
The College Of William And Mary In Virginia	FY 04-05 \$2,821,000	FY 05-06 \$0	NGF

Language:

Page 395, line 14, insert:

“C-15.10. New Construction: Parking Deck Supplement	\$2,821,000
Fund Sources: Bond Proceeds	\$2,821,000”.

Education: Higher Education			Item C-15.10 #2s
The College Of William And Mary In Virginia	FY 04-05 \$1,600,000	FY 05-06 \$0	NGF

Language:

Page 395, line 14, insert:

“C-15.10. Acquisition: Emergency Generators	\$1,600,000
Fund Sources: Bond Proceeds	\$1,600,000”.

Education: Higher Education			Item C-17.1 #1s
Virginia Institute Of Marine Science	FY 04-05 \$2,000,000	FY 05-06 \$0	NGF

Language:

Page 395, following line 27, insert:

“C-17.1. New Construction: Field Support Center	\$2,000,000
Fund Sources: Bond Proceeds	\$2,000,000”.

Education: Higher Education			Item C-17.1 #5s
Virginia Institute Of Marine Science	FY 04-05 \$2,000,000	FY 05-06 \$0	NGF

Language:

Page 395, following line 27, insert:

“C-17.1. Improvements: Maury Hall Renovation	\$2,000,000
Fund Sources: Higher Education Operating	\$2,000,000”.

Education: Higher Education			Item C-18 #1s
George Mason University			

Language

Language:

Page 395, line 34, insert:

“A. The General Assembly authorizes George Mason University, with approval of the Governor, to explore and evaluate an alternative financing scenario to provide an addition to the existing Krasnow Institute. This project must be consistent with the Virginia Uniform Statewide Building Code 7 of October 1, 2003, and comply with the Treasury Board Guidelines issued pursuant to 23-19(d)(4), Code of Virginia, and subsequent amendments thereto.

B. The General Assembly authorizes George Mason University to enter into a written agreement with a public or private entity to design, construct and finance an addition to the Krasnow Institute. The addition may be located on property owned by the Commonwealth. All project proposals and approvals shall be in accordance with the guidelines cited in paragraph A of this item.

C. In the event that the Krasnow Institute project is financed through alternative financing and constructed on land owned by or leased to a private University-related foundation, or owned by or leased to a private entity, such project shall continue to be exempt from all requirements of any county or city zoning ordinances; however, such project must still comply with state building permit requirements, environmental reviews and permits, and the provisions of the Virginia uniform Building Code.”

Education: Higher Education
George Mason University

Item C-21 #1s

Language

Language:

Page 396, line 10, insert:

“A. The General Assembly authorizes George Mason University, with approval of the Governor, to explore and evaluate an alternative financing scenario to provide a Conference Center for the Institute for Conflict Analysis and Resolution. This project must be consistent with the Virginia Uniform Statewide Building Code 7 of October 1, 2003, and comply with the Treasury Board Guidelines issued pursuant to 23-19(d)(4), Code of Virginia, and subsequent amendments thereto.

B. The General Assembly authorizes George Mason University to enter into a written agreement with a public or private entity to design, construct and finance a Conference Center for the Institute for Conflict Analysis and Resolution. The Conference Center may be located on property owned by the Commonwealth. All project proposals and approvals shall be in accordance with the guidelines cited in paragraph A of this item.

C. In the event that the Conference Center for the Institute for Conflict Analysis and Resolution project is financed through alternative financing and constructed on land owned by or leased to a private University-related foundation, or owned by or leased to a private entity, such project must still comply with state building permit requirements, environmental reviews and permits, and the provisions of the Virginia uniform Building Code.”

Education: Higher Education
George Mason University

Item C-28 #1s

FY 04-05	FY 05-06	
(\$1,942,000)	\$0	NGF

Language:

Page 396, line 28, strike “\$1,942,000” and insert “\$0”.

Education: Higher Education
George Mason University

Item C-29.10 #1s

FY 04-05	FY 05-06	
\$3,325,000	\$0	NGF

Language:

Page 397, line 4, insert:

“C-29.10. Improvements: North Loop Utility Infrastructure Supplement	\$3,325,000
Fund Sources: Bond Proceeds	\$3,325,000”.

Education: Higher Education
George Mason University

Item C-29.20 #1s

FY 04-05	FY 05-06	
\$1,750,000	\$0	NGF

Language:

Page 397, line 4, insert:

“C-29.20. New Construction: Prince William IIIA Supplement \$1,750,000
 Fund Sources: Bond Proceeds \$1,750,000”.

Education: Higher Education			Item C-29.20 #2s
George Mason University	FY 04-05	FY 05-06	
	\$1,500,000	\$0	NGF

Language:

Page 397, line 4, insert:

“C-29.20. New Construction: Prince William IIIA Supplement \$1,500,000
 Fund Sources: Higher Education Operating \$1,500,000”.

Education: Higher Education			Item C-29.20 #3s
George Mason University	FY 04-05	FY 05-06	
	\$1,500,000	\$0	NGF

Language:

Page 397, line 4, insert:

“C-29.20. New Construction: Center for the Arts \$1,500,000
 Fund Sources: Higher Education Operating \$1,500,000”.

Education: Higher Education			Item C-34.1 #1s
James Madison University	FY 04-05	FY 05-06	
	\$13,600,000	\$0	NGF

Language:

Page 397, following line 26, insert:

“C-34.1. New Construction: Parking Deck \$13,600,000
 Fund Sources: Bond Proceeds \$13,600,000”.

Education: Higher Education			Item C-34.1 #2s
James Madison University	FY 04-05	FY 05-06	
	\$8,000,000	\$0	NGF

Language:

Page 397, following line 26, insert:

“C-34.1. New Construction: Planning and Construction of New Student
 Recreation Fields \$8,000,000
 Fund Sources: Higher Education Operating \$8,000,000”.

Education: Higher Education			Item C-39 #2s
Mary Washington College	FY 04-05	FY 05-06	
	\$5,000,000	\$0	NGF

Language:

Page 398, line 9, strike “\$20,000,000” and insert “\$25,000,000”.

Education: Higher Education			Item C-40 #3s
Mary Washington College	FY 04-05	FY 05-06	
	\$1,000,000	\$0	NGF

Language:

Page 398, line 11, strike "\$5,000,000" and insert "\$6,000,000".

Education: Higher Education			Item C-41.1 #1s
Mary Washington College	FY 04-05	FY 05-06	
	\$1,500,000	\$0	NGF

Language:

Page 398, following line 15, insert:

"C-41.1. Improvements: Dodd Hall Auditorium Renovation \$1,500,000
Fund Sources: Bond Proceeds \$1,500,000".

Education: Higher Education			Item C-41.1 #3s
Mary Washington College	FY 04-05	FY 05-06	
	\$1,100,000	\$0	NGF

Language:

Page 398, following line 15, insert:

"C-41.1. Acquisition: Property Acquisition \$1,100,000
Fund Sources: Higher Education Operating \$1,100,000".

Education: Higher Education			Item C-41.1 #4s
Mary Washington College	FY 04-05	FY 05-06	
	\$1,500,000	\$1,500,000	NGF

Language:

Page 398, following line 15, insert:

"C-41.1. New Construction: Bell Tower \$1,500,000 \$1,500,000
Fund Sources: Higher Education Operating \$1,500,000".

Education: Higher Education			Item C-42 #1s
Norfolk State University	FY 04-05	FY 05-06	
	(\$1,469,000)	(\$1,469,000)	GF

Language:

Page 398, line 19, strike "\$1,469,000" and insert "\$0".

Page 398, line 19, strike "\$1,469,000" and insert "\$0".

Education: Higher Education			Item C-43 #1s
Norfolk State University			
			Language

Language:

Page 398, following line 22, insert:

"This project shall be funded from \$1,416,000 in 9(d) bonds and \$1,584,000 in Virginia College Building Authority bonds."

Education: Higher Education			Item C-43.1 #11s
Norfolk State University	FY 04-05	FY 05-06	
	\$0	\$3,850,000	NGF

Language:

Page 398, following line 25, insert:

“C-43.1. New Construction: Police and Public Safety Building \$3,850,000
 Fund Sources: Bond Proceeds \$3,850,000”.

Education: Higher Education Item C-46 #1s
 Old Dominion University FY 04-05 FY 05-06
 (\$2,287,000) \$0 NGF

Language:
 Page 399, line 2, strike “\$6,860,000” and insert “\$4,573,000”.

Education: Higher Education Item C-52.1 #1s
 Old Dominion University FY 04-05 FY 05-06
 \$0 \$16,500,000 NGF

Language:
 Page 399, following line 26, insert:
 “C-52.1. Improvements: Health and Physical Education Building \$16,500,000
 Fund Sources: Bond Proceeds \$16,500,000”.
 Page 398, following line 22, insert:
 “This project shall be funded from \$12,982,000 in 9(d) bonds and \$3,518,000 in Virginia College
 Building Authority bonds.”

Education: Higher Education Item C-52.1 #3s
 Old Dominion University FY 04-05 FY 05-06
 \$1,020,869 \$0 NGF

Language:
 Page 399, following line 26, insert:
 “C-52.1. Improvements: 43rd Street \$1,020,869
 Fund Sources: Higher Education Operating \$1,020,869”.

Education: Higher Education Item C-52.1 #4s
 Old Dominion University
 Language

Language:
 Page 399, following line 26, insert:
 “C-52.1. New Construction: Recreational Facilities and Infrastructure
 The General Assembly authorizes Old Dominion University to enter into a written agreement with
 the City of Norfolk for the development of recreational facilities, off-street parking, and associated
 infrastructure adjacent to the University where the City plans to develop a public golf course and a
 stadium for the joint usage for several public high schools as well as the University. The University
 is authorized to convey parcels of land to the City of Norfolk and/or the Norfolk Redevelopment &
 Housing Authority for the purpose of constructing these recreational facilities, including necessary
 off-street parking, street improvements, and associated infrastructure consistent with the City's and
 University's master plans. In addition, the University is further authorized to convey to the City and/
 or Norfolk Redevelopment & Housing Authority residual parcels of land south of 43rd Street for the
 purpose of constructing market rate housing. Any and all such conveyances shall be upon terms
 satisfactory to the University.”

Education: Higher Education Item C-55.1 #1s
 Radford University FY 04-05 FY 05-06
 \$670,000 \$0 NGF

Language:

Page 398, following line 25, insert:

“C-55.1. Planning: Heth Hall renovation

\$670,000

Fund Sources: Higher Education Operating

\$670,000”.

Education: Higher Education

Item C-58 #1s

University Of Virginia

Language

Language:

Page 400, after line 12, insert:

“Notwithstanding any other provision of law, the University is hereby authorized to enter into a contract to upgrade the main heating plant for environmental compliance. It is anticipated that sufficient appropriation will be provided in future fiscal years to cover all phases of the project as specified in the final contract.”

Education: Higher Education

Item C-67 #1s

University Of Virginia

Language

Language:

Page 400, strike lines 37 to 39.

Page 401, strike lines 1 to 6.

Education: Higher Education

Item C-67.1 #1s

University Of Virginia

FY 04-05

FY 05-06

\$3,500,000

\$0

NGF

Language:

Page 399, following line 26, insert:

“C-67.1. New Construction: Campbell Hall Addition

\$3,500,000

Fund Sources: Higher Education Operating

\$3,500,000”.

Education: Higher Education

Item C-82 #2s

Virginia Commonwealth University

FY 04-05

FY 05-06

\$3,000,000

\$0

NGF

Language:

Education: Higher Education

Item C-67.1 #3s

University Of Virginia

FY 04-05

FY 05-06

\$2,200,000

\$0

NGF

Language:

Page 401, following line 6, insert:

“C-67.1. Improvements: Varsity Hall Renovation

\$2,200,000

Fund Sources: Higher Education Operating

\$2,200,000”.

Education: Higher Education

Item C-67.1 #4s

University Of Virginia

FY 04-05

FY 05-06

\$15,000,000

\$0

NGF

Language:

Page 401, following line 6, insert:

“C-67.1. Acquisition: Advanced Research Technology Facility \$15,000,000
 Fund Sources: Bond Proceeds \$15,000,000”.

Education: Higher Education			Item C-67.1 #5s
University Of Virginia	FY 04-05	FY 05-06	
	\$24,000,000	\$0	NGF

Language:

Page 399, following line 26, insert:

“C-67.1. New Construction: Expand University Hospital \$24,000,000
 Fund Sources: Bond Proceeds \$24,000,000”.

Education: Higher Education			Item C-74 #1s
University Of Virginia's College At Wise			Language

Language:

Page 401, following line 36, insert:

“This project shall be funded from \$799,000 in 9(d) bonds.”

Education: Higher Education			Item C-80.1 #1s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$5,000,000	\$0	NGF

Language:

Page 401, following line 6, insert:

“C-80.1. Improvements: Hunton Hall Renovation \$5,000,000
 Fund Sources: Bond Proceeds \$5,000,000”.

Education: Higher Education			Item C-80.1 #3s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$2,000,000	\$0	NGF

Language:

Page 402, following line 23, insert:

“C-80.1. Planning: New School of Business \$2,000,000
 Fund Sources: Higher Education Operating \$1,000,000
 \$1,000,000”.

Education: Higher Education			Item C-80.1 #4s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$0	\$14,000,000	NGF

Language:

Page 401, following line 6, insert:

“C-80.1. New Construction: Monroe Campus Parking Deck \$14,000,000
 Fund Sources: Bond Proceeds \$14,000,000”.

Education: Higher Education			Item C-84 #1s
Virginia Commonwealth University			Language

Language:

Page 402, following line 33, insert:
 "This project shall be funded from \$2,500,000 in 9(d) bonds."

Education: Higher Education			Item C-98 #1s
Virginia Community College System	FY 04-05	FY 05-06	
	(\$683,000)	\$0	NGF

Language:

Page 404, line 25, strike "\$725,000" and insert "\$42,000".

Education: Higher Education			Item C-108.10 #1s
Virginia Community College System	FY 04-05	FY 05-06	
	\$1,834,000	\$0	NGF

Language:

Page 405, following line 33, insert:
 "C-108.10. New Construction: Construct Science Building Addition,
 Blue Ridge Community College \$1,834,000
 Fund Sources: Bond Proceeds \$1,834,000".

Education: Higher Education			Item C-108.10 #2s
Virginia Community College System	FY 04-05	FY 05-06	
	\$0	\$4,160,000	NGF

Language:

Page 405, following line 33, insert:
 "C-108.10. New Construction: Blackwater Building, Tidewater Community
 College \$4,160,000
 Fund Sources: Bond Proceeds \$4,160,000".

Education: Higher Education			Item C-108.1 #3s
Virginia Community College System	FY 04-05	FY 05-06	
	\$0	\$9,149,475	NGF

Language:

Page 405, following line 33, insert:
 "C-108.1. Improvements: Major Building Systems Repair and Replacement \$9,149,475
 Fund Sources: Bond Proceeds \$9,149,475".

Education: Higher Education			Item C-108.10 #3s
Virginia Community College System	FY 04-05	FY 05-06	
	\$1,465,290	\$0	NGF

Language:

Page 405, following line 33, insert:
 "C-108.10. Improvements: Renovate the Top Floor of Galax Hall, Wytheville
 Community College \$1,465,290
 Fund Sources: Bond Proceeds \$1,465,290".

Education: Higher Education			Item C-108.1 #3s
Virginia Community College System	FY 04-05	FY 05-06	
	\$400,000	\$0	NGF

Language:

Page 405, line 34, insert:

“C-108.1. Improvements: Bookstore, Blue Ridge Community College \$400,000
Fund Sources: Higher Education Operating \$400,000”.

Education: Higher Education

Item C-119.10 #1s

Virginia Military Institute FY 04-05 FY 05-06
\$1,590,000 \$0 GF

Language:

Page 408, following line 30, insert:

“C-119.10. Planning: Renovation of Kilborne Hall \$1,590,000
Fund Sources: General \$1,590,000”.

Education: Higher Education

Item C-122.10 #1s

Virginia Polytechnic Institute And State University FY 04-05 FY 05-06
\$2,750,000 \$0 GF

Language:

Page 408, following line 30, insert:

“C-122.10. Planning: Renovation of Campus Heating Plant \$2,750,000
Fund Sources: General \$2,750,000”.

Education: Higher Education

Item C-124 #1s

Virginia State University FY 04-05 FY 05-06
(\$1,202,000) (\$1,202,000) GF

Language:

Page 409, line 14, strike “\$1,202,000”and insert “\$0”.

Page 409, line 14, strike “\$1,202,000” and insert “\$0”.

Education: Higher Education

Item C-125 #1s

Virginia State University
Language

Language:

Page 409, following line 21, insert:

“This project shall be funded from \$429,000 of non-general funds.”

Education: Other

Item C-125.1 #1s

Frontier Culture Museum Of Virginia FY 04-05 FY 05-06
\$0 \$375,000 NGF

Language:

Page 409, following line 24, insert:

“C-125.1. New Construction: Site Improvements Wetlands Mill and Bowman House Sites \$375,000
Fund Sources: Bond Proceeds \$375,000”.

Education: Other

Item C-126 #1s

Jamestown-Yorktown Foundation
Language

Language:

Page 409, following line 18, insert:

“This project shall be funded from \$265,000 in nongeneral fund cash.”

Education: Other

The Science Museum Of Virginia	FY 04-05	FY 05-06	Item C-133.10 #1s
	\$0	\$500,000	NGF

Language:

Page 410, following line 22, insert:

“C-133.10. Improvements: Replace Exhibits \$500,000

Fund Sources: Bond Proceeds \$500,000”.

Education: Other

Virginia Museum Of Fine Arts	FY 04-05	FY 05-06	Item C-135.10 #1s
	\$1,792,000	\$0	NGF

Language:

Page 410, following line 22, insert:

“C-135.10. Improvements: Upgrade Security System \$1,792,000

Fund Sources: Bond Proceeds \$1,792,000”.

Health And Human Resources

Department Of Mental Health, Mental Retardation And Substance Abuse Services	FY 04-05	FY 05-06	Item C-137 #1s
	\$3,000,000	\$0	GF
	(\$9,500,000)	(\$22,300,000)	NGF

Language:

Page 411, line 11, strike “\$9,500,000” and insert “\$3,000,000”.

Page 411, line 11, strike “\$22,300,000” and insert “\$0”.

Natural Resources

Virginia Museum Of Natural History	FY 04-05	FY 05-06	Item C-154.10 #1s
	\$0	\$2,000,000	NGF

Language:

Page 410, following line 22, insert:

“C-154.10. Acquisition: Exhibits for the New Museum Building \$2,000,000

Fund Sources: Bond Proceeds \$2,000,000”.

The funds appropriated in this item shall be matched by an equal amount of non-general funds raised locally.”

Public Safety

Department Of Corrections, Central Activities	FY 04-05	FY 05-06	Item C-161 #1s
	\$6,261,000	\$0	NGF

Language:

Page 415, line 2, strike “\$62,384,000” and insert “\$68,645,000”.

Page 415, line 1, strike “prison” and insert “Correctional Facility in Tazewell County”.

Public Safety

Department Of Corrections, Central Activities	FY 04-05	FY 05-06	Item C-161.1 #1s
	\$73,553,000	\$0	NGF

Language:

Page 415, following line 3, insert:

“C-161.1. New Construction: Construct Medium Security Correctional

Facility in Pittsylvania County

\$73,553,000

Fund Sources: Bond Proceeds

\$73,553,000”.

Transportation

Item C-184 #1s

Department Of Transportation

Language

Language:

Page 418, line 42, after “30”, delete the rest of the line.

Page 418, strike lines 43 through 45 and insert “site.”.

Central Appropriations

Item C-194 #1s

Central Capital Outlay

FY 04-05

FY 05-06

(\$20,000,000)

(\$20,000,000)

GF

Language:

Page 420, line 6, strike “\$25,000,000” and insert “\$5,000,000”.

Page 420, line 6, strike “\$25,000,000” and insert “\$5,000,000”.

2004-2006 Appropriations

Agency Code	Agency Name	Project Code	FY 2005	FY 2006
123	Department of Military Affairs	10893	\$36,634	\$36,634
127	Department of Emergency Management	15989	\$4,517	\$4,517
140	Department of Criminal Justice Services	16320	\$4,517	\$4,517
146	The Science Museum of Virginia	13634	\$58,269	\$58,269
156	Department of State Police	10886	\$13,414	\$13,414
161	Department of Taxation	15994	\$11,919	\$11,919
194	Department of General Services	14260	\$177,325	\$177,325
199	Department of Conservation And Recreation	16646	\$42,844	\$42,844
203	Woodrow Wilson Rehabilitation Center	10885	\$75,493	\$75,493
204	The College of William And Mary In Virginia	12713	\$178,553	\$178,553
207	University of Virginia	12704	\$565,994	\$565,994
208	Virginia Polytechnic Institute and State University	12707	\$584,393	\$584,393
211	Virginia Military Institute	12732	\$97,114	\$97,114
212	Virginia State University	12733	\$217,195	\$217,195
213	Norfolk State University	12724	\$265,440	\$265,440
214	Longwood University	12722	\$105,587	\$105,587

215	Mary Washington College	12723	\$43,727	\$43,727
216	James Madison University	12718	\$168,091	\$168,091
217	Radford University	12731	\$71,450	\$71,450
221	Old Dominion University	12710	\$115,379	\$115,379
236	Virginia Commonwealth University	12708	\$366,949	\$366,949
238	Virginia Museum of Fine Arts	13633	\$55,304	\$55,304
239	Frontier Culture Museum of Virginia	15045	\$7,003	\$7,003
241	Richard Bland College	12716	\$4,517	\$4,517
242	Christopher Newport University	12719	\$32,066	\$32,066
246	University of Virginia's College at Wise	12706	\$22,841	\$22,841
247	George Mason University	12712	\$203,653	\$203,653
260	Virginia Community College System	12611	\$423,256	\$423,256
268	Virginia Institute of Marine Science	12331	\$29,545	\$29,545
301	Department of Agriculture and Consumer Services	12253	\$12,221	\$12,221
402	Marine Resources Commission	16498	\$4,517	\$4,517
409	Department of Mines, Minerals and Energy	13096	\$4,517	\$4,517
411	Department of Forestry	13986	\$10,950	\$10,950
417	Gunston Hall	12382	\$4,977	\$4,977
425	Jamestown-Yorktown Foundation	13605	\$46,053	\$46,053
702	Department for the Blind and Vision Impaired	13942	\$16,959	\$16,959
720	Department of Mental Health, Mental Retardation and Substance Abuse Services	10880	\$466,390	\$466,390
777	Department of Juvenile Justice	15081	\$137,206	\$137,206
799	Department of Corrections	10887	\$304,187	\$304,187
942	Virginia Museum of Natural History	14439	\$4,517	\$4,517
948	Southwest Virginia Higher Education Center	16499	\$4,517	\$4,517
		Total	\$5,000,000	\$5,000,000

Central Appropriations

Central Capital Outlay

	FY 04-05	FY 05-06	Item C-194.20 #1s
	\$30,171,000	\$22,671,000	GF
	\$19,829,000	\$52,329,000	NGF

Language:

Page 421, following line 36, insert

“C-194.20. Improvements: Capital Repairs and Improvements	\$50,000,000	\$75,000,000
Fund Sources: General	\$30,171,000	\$22,671,000
Bond Proceeds	\$19,829,000”.	\$52,329,000”.

A.1. A total of \$50,000,000 for FY 2005 and \$75,000,000 for FY 2006 from a combination of general funds and Virginia Public Building Authority bonds is provided to state agencies and institutions for Capital Repairs and Improvements subprojects.

The Director of the Department of Planning and Budget is hereby directed to transfer to agencies and institutions the following sums:

2004-2006 Appropriations

Agency Code	Agency Name	Project Code	FY 2005
123	Department of Military Affairs	10893	\$366,340
127	Department of Emergency Management	15989	\$45,174
140	Department of Criminal Justice Services	16320	\$45,174
146	The Science Museum of Virginia	13634	\$582,689
156	Department of State Police	10886	\$134,140
161	Department of Taxation	15994	\$119,190
194	Department of General Services	14260	\$1,773,254
199	Department of Conservation And Recreation	16646	\$428,436
203	Woodrow Wilson Rehabilitation Center	10885	\$754,933
204	The College of William And Mary In Virginia	12713	\$1,785,534
207	University of Virginia	12704	\$5,659,936
208	Virginia Polytechnic Institute and State University	12707	\$5,843,930
211	Virginia Military Institute	12732	\$971,143
212	Virginia State University	12733	\$2,171,949
213	Norfolk State University	12724	\$2,654,404
214	Longwood University	12722	\$1,055,871
215	Mary Washington College	12723	\$437,268
216	James Madison University	12718	\$1,680,906
217	Radford University	12731	\$714,495
221	Old Dominion University	12710	\$1,153,786
236	Virginia Commonwealth University	12708	\$3,669,490
238	Virginia Museum of Fine Arts	13633	\$553,036
239	Frontier Culture Museum of Virginia	15045	\$70,030
241	Richard Bland College	12716	\$45,174
242	Christopher Newport University	12719	\$320,662
246	University of Virginia's College at Wise	12706	\$228,409
247	George Mason University	12712	\$2,036,533
260	Virginia Community College System	12611	\$4,232,561
268	Virginia Institute of Marine Science	12331	\$295,446

301	Department of Agriculture and Consumer Services	12253	\$122,206
402	Marine Resources Commission	16498	\$45,174
409	Department of Mines, Minerals and Energy	13096	\$45,174
411	Department of Forestry	13986	\$109,499
417	Gunston Hall	12382	\$49,765
425	Jamestown-Yorktown Foundation	13605	\$460,525
702	Department for the Blind and Vision Impaired	13942	\$169,591
720	Department of Mental Health, Mental Retardation and Substance Abuse Services	10880	\$4,663,899
777	Department of Juvenile Justice	15081	\$1,372,057
799	Department of Corrections	10887	\$3,041,871
942	Virginia Museum of Natural History	14439	\$45,174
948	Southwest Virginia Higher Education Center	16499	\$45,174
	Total		\$50,000,000

2. The distribution of funds for the purposes of this item for FY 2006 shall be based on the findings and recommendations of the audit of deferred maintenance required by Item 2 of this act.

B. Agencies and institutions of higher education may use capital repair and improvement funds in the first year to plan subprojects to be funded from allocations in the second year. Any agency or institution of higher education which has not expended or contractually obligated itself in a legally binding manner to expend its biennial appropriation for capital repair and improvement funds by June 30, 2006, shall revert the unobligated balance to the fund. Such balances shall be reallocated for the next fiscal year. For good cause, the Director of the Department of Planning and Budget may grant exceptions to this requirement.

C. Agencies and institutions of higher education may use capital repair and improvement funds to address major physical plant deficiencies such as: 1) roof repair and replacement, 2) heating and cooling system repair and replacement, 3) major electrical system repair and replacement, or 4) such other deficiencies as the Director, Department of Planning and Budget may approve, provided however that all projects undertaken shall have an estimated useful life of not less than fifteen years.”

Central Appropriations			Item C-194.20 #2s
Central Capital Outlay	FY 04-05	FY 05-06	
	\$300,000	\$0	GF

Language:

Page 421, following line 36, insert:

“C-194.20. Improvements: Capital Repairs and Improvements \$300,000

Fund Sources: General \$300,000”.

“Out of the amounts for Maintenance Reserve shall be paid \$300,000 the first year for the costs of an audit of the Commonwealth’s deferred maintenance needs.

The Auditor of Public Accounts shall perform an audit to determine the amount of deferred maintenance costs in the Commonwealth. The Auditor shall conduct the audit in phases with a preliminary report of the audit scope to be presented to the Chairmen of the Senate Finance and House Appropriation Committees in May of 2004, an interim progress report to the General Assembly by December of 2004, and the final report by December 2005. The first phase of the audit

shall give consideration to including not only large agencies and institutions with facilities, but agencies and institutions that have public safety and health facilities.

To assist the Auditor of Public Accounts, the following agencies and institutions shall designate and assign at least one individual from each entity to assist in the audit: Department of General Services, the Department of Corrections, the Virginia Community College System, George Mason University, Department of Transportation and the State Council of Higher Education for Virginia. These individuals should have sufficient experience and knowledge to assist the Auditor of Public Accounts in developing procedures for collecting information and assisting agency and institutional personnel with advice and guidance in implementing, collecting and summarizing information for this audit. These individuals will work with agencies and institutions to ensure that they are properly accumulating information.

The Auditor of Public Accounts will oversee the collection, analysis, and prioritization of the data needed to audit deferred maintenance costs. All state agencies and institutions will work with and assist the Auditor of Public Accounts to collect this data in relation to their agency.

As part of this audit, the Auditor of Public Accounts shall establish procedures and acquire software to develop and implement a Capital Outlay Deferred Maintenance System throughout all state agencies and institutions to gather information on the maintenance needs of all Commonwealth owned buildings. In addition to acquiring the software, the Auditor of Public Accounts will acquire the necessary training for the state agencies and institutions.”

Central Appropriations

Item C-194.1 #2s

Central Capital Outlay

Language

Language:

Page 421, following line 36, insert

“C-194.1. Improvements: Capital Repairs and Improvements

Fund Sources:

“A. All tax-supported debt issued by the Treasury Board, the Virginia Public Building Board and the Virginia College Building Board under the provisions of Virginia's Constitution, Article 10 Sections 9(b) and 9(d) after July, 2004 shall require the creation of a Capital Repairs and Improvements Revolving Fund, and require payment into the Fund in accordance with the following provisions.

B.1. Except as provided in subparagraph B.3. of this item, the Commonwealth shall annually pay into the Capital Repairs and Improvements Revolving Fund an amount equal to two percent of the accumulated balance of all new outstanding debt issued after July 1, 2004. This deposit shall not exceed \$30 million annually. For purposes of this computation, the Commonwealth shall include all tax-supported debt issued by the Treasury Board, the Virginia Public Building Board and the Virginia College Building Board under the provisions of Virginia's Constitution, Article 10 Sections 9(b), and 9(d).

2. Funds for this deposit shall not be derived either directly or indirectly from debt, but shall be made from revenues available for appropriation.

3. No deposits to the Capital Repairs and Improvements Revolving Fund shall be required in any fiscal year in which the General Assembly of Virginia appropriates funds from the Revenue Stabilization Fund authorized by Article 10 Sections 8 of the Constitution of Virginia.

C. By November 1 each year, the Auditor of Public Accounts shall compute the maximum balance of the fund, and the Governor shall adjust the payment into the fund in the budget prepared in accordance with Section 2.2-1508 of the *Code of Virginia*. The maximum balance of the fund shall not exceed 2.25 percent of value of the Commonwealth's capital assets excluding land and infrastructure before accumulated depreciation and the total capital assets of state supported institutions of higher education excluding land and assets not funded by the debt described above before accumulated depreciation as reported by the State Comptroller in his annual Comprehensive

Financial Report. The maximum balance of the fund shall include both the cash and investment balances in the fund and the net realizable value of any other assets.

D. The Auditor of Public Accounts shall, as part of his computation in C. above, certify that:

- 1. None of the projects financed by the Capital Repairs and Improvements Revolving Fund represented new construction or expansion of any existing capital asset, and
- 2. All complied with the Authority's policies and regulations for such projects.

E. The Authority shall maintain the Capital Repairs and Improvements Revolving Fund and receive payments into the Fund as previously described. The Authority shall adopt policies and regulations for the Capital Repairs and Improvements Revolving Fund for purposes of setting the following:

- 1. Definition and criteria for projects qualifying for loans and
- 2. Procedures for making and repaying fund loans.

These policies and regulations shall be based on recommendations from a committee comprised of the Secretary of Finance, State Treasurer, Director of the Department of General Services, the Auditor of Public Accounts, a staff representative of the State Council of Higher Education, a representative of the State Council of Higher Education's Finance Advisory Committee and staff representatives of the Senate Finance and House Appropriation Committees as designated by their respective Chairmen. The Capital Repairs and Improvements Revolving Fund may receive other appropriations made directly to it by the General Assembly.”

Central Appropriations			Item C-195 #1s
Central Capital Outlay	FY 04-05	FY 05-06	
	(\$7,500,000)	\$0	GF

Language:

Page 421, line 38, strike “\$7,500,000” and insert “\$0”.

Transfers		Item 3-1.01 #1s
Interfund Transfers		Language

Language:

Page 437, strike lines 23 through 26.

Transfers		Item 3-1.01 #1s
Interfund Transfers		Language

Language:

Page 438, after line 28, insert:

“FF. The Department of Alcoholic Beverage Control shall sell the building in which the Alexandria Regional Office is currently located. Notwithstanding the provisions of § 2.2-1156, Code of Virginia, all the proceeds from the sale of such property, estimated to be \$3,000,000, shall be deposited into the general fund.”

Transfers		Item 3-1.01 #3s
Interfund Transfers		Language

Language:

Page 432, line 20, strike "Winegrowers Advisory" and insert "Wine".

Transfers Item 3-1.01 #4s
Interfund Transfers Language

Language:

Page 438, after line 28, insert:

"FF. On or before June 30, the State Comptroller shall transfer from the State Racing Operations Fund \$90,000 the first year and \$240,000 the second year to the general fund."

Transfers Item 3-1.01 #5s
Interfund Transfers Language

Language:

Page 434, line 3, strike "0477" and insert "0410".

Transfers Item 3-1.01 #6s
Interfund Transfers Language

Language:

Page 438, after line 28, insert:

"FF. Pursuant to the "Virginia Investment Act" (SB 635, 2004 Session), the Comptroller shall transfer \$30,000,000 annually from the general fund to the Virginia Natural and Historic Resources Fund. For fiscal year 2005 only, notwithstanding the transfer schedule in §58.1-638.F., the Comptroller shall transfer from the general fund to the Virginia Natural and Historic Resources Fund, \$10,000,000 on or before July 31, 2004, and an additional \$5,000,000 on or before December 31, 2004, and an additional \$15,000,000 on or before June 30, 2005. For fiscal year 2006, the Comptroller shall transfer from the general fund to the Virginia Natural and Historic Resources Fund, \$15,000,000 on or before December 31, 2005 and an additional \$15,000,000 on or before June 30, 2006."

Transfers Item 3-1.01 #7s
Interfund Transfers Language

Language:

Page 435, line 28, after "indicated.", strike the remainder of the line.

Page 435, strike lines 29 through 31.

Page 436, strike lines 21 through 61.

Page 437, strike lines 1 through 6.

Adjustments and Modifications to Fees Item 3-6.01 #3s
Recordation Tax Fee Language

Language:

Page 440, line 43, after "Virginia." strike the rest of the line.

Page 440, strike lines 44-45.

Page 441, line 1, after "shall consist of ", insert:

“funds pursuant to Senate Bill 635 (2004 Session), other”

Adjustments and Modifications to Fees
Motor Vehicle Fees

Item 3-6.02 #1s

Language

Language:

Page 441, strike lines 11 through 13.

Item 3-7.01 #1s

Withholding General Fund Revenues for Revenue Stabilization

Language

Language:

Page 441, after line 13, insert:

“After satisfying all other claims against the certified general fund revenue surplus required by law, the State Comptroller shall reserve 25 percent of the remaining portion of the general fund revenue surplus. This reserve shall be held available for appropriation by the General Assembly for deposit into the Revenue Stabilization Fund or for other uses.”

Revenues

Item 4-2.01 #2s

Nongeneral Fund Revenues

Language

Language:

Page 448, strike lines 38 through 49.

Page 449, strike lines 1 through 42.

Page 449, line 42, insert:

“1. All nongeneral fund collections by public institutions of higher education, including collections from the sale of dairy and farm products, shall be deposited in the state treasury in accordance with § 2.2-1802, Code of Virginia, and expended by the institutions of higher education in accordance with the appropriations and provisions of this act, provided, however, that this requirement shall not apply to private gifts, endowment funds, or income derived from endowments and gifts.

2.a) Financial support provided to the Commonwealth's institutions of higher education is predicated primarily upon the fulfillment by such institutions of their mission to provide educational opportunities to the citizens of the Commonwealth. The presence of students from outside the Commonwealth contributes materially to that mission and the appropriate proportion of such nonresident students will vary among the institutions according to their respective missions. Each institution and the State Council of Higher Education for Virginia shall monitor tuition, fees, and other charges, as well as the mix of resident and nonresident students, to ensure that the primary mission of providing educational opportunities to citizens of Virginia is served. The State Council of Higher Education shall report to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than August 1 of each year on the annual change in total charges for tuition and all required fees approved and allotted by the Board of Visitors in support of the institutions' educational and general programs. As it deems appropriate, the State Council of Higher Education for Virginia shall provide comparative national, peer, and market data with respect to charges assessed students for tuition and required fees at institutions outside of the Commonwealth. Further, in coordination with the institutions, the State Council of Higher Education for Virginia shall report no later than August 1 of each year on the estimated amount of revenue each institution expects to collect from tuition and mandatory educational and general fees during the fiscal year.

b) The State Council of Higher Education for Virginia shall also develop and enforce uniform guidelines for reporting student enrollments and the domiciliary status of students.

3. The Board of Visitors or other governing body of each public institution of higher education shall set tuition, fees, and other student charges within the limits of the nongeneral fund appropriation provided for each institution's educational and general programs within this act.

4.a) In setting the general and nongeneral fund appropriations for educational and general programs at each institution, it is the intent of the General Assembly, over a period of up to six years, to provide full funding of the base adequacy guidelines adopted, and periodically amended, by the Joint Subcommittee Studying Higher Education Funding Policies; to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions nationally; and to recognize the student share of cost for other priorities set forth in this act.

b) Further, it is the intent of the General Assembly that the Commonwealth support at least 67 percent of the cost of education for all resident students attending a public college or university in the Commonwealth and that tuition and mandatory educational and general fee rates for nonresident undergraduate and graduate students shall be at least 100 percent of the average cost of their education, as calculated by the Joint Subcommittee's funding guidelines.

c) For institutions charging nonresident students less than 100 percent of the cost of education as identified by the funding guidelines referenced in subparagraph a), the State Council of Higher Education for Virginia may authorize a phased approach to meeting this requirement, when in its judgment, it would result in annual tuition and fee increases for nonresident students that would discourage their enrollment.

d) Nonresident graduate students employed by an institution as graduate teaching or research assistants and paid at an annual contract rate of \$4,000 or more may be considered resident students for the purposes of charging tuition and fees.

e) By October 1, 2005, the State Council of Higher Education shall prepare a report on nonresident tuition waivers, including how waivers contribute to institutions' ability to attract and retain research funding and the extent to which nonresident students receiving waivers stay and work in Virginia upon graduation. The Department of Taxation and the Virginia Employment Commission shall work with the State Council of Higher Education for Virginia to provide appropriate unit record data to support these analyses.

5. In setting undergraduate tuition and fee increases, the Boards of Visitors or other governing bodies shall consider the feasibility of setting aside a portion of the tuition increase to provide additional financial aid resources, in combination with state, federal and private resources to students who demonstrate financial need.

6. The fund source "Higher Education Operating" within educational and general programs for institutions of higher education includes tuition and fee revenues from nonresident students to pay their proportionate share of the amortized cost of the construction of buildings approved by the Commonwealth of Virginia Educational Institutions Bond Act of 1992 and the Commonwealth of Virginia Educational Facilities Bond Act of 2002.

7. Institutions of higher education are hereby authorized to make the technology service fee authorized in Chapter 1042, 2003 Acts of Assembly, part of ongoing tuition revenue. Such revenues shall continue to be used to supplement technology resources at the institutions of higher education.

8.a) The governing boards of the institutions of higher education shall seek cost savings in areas supported by non-educational and general fees such that the total cost of higher education be kept as low as possible. Mandatory fees for purposes other than educational and general programs shall not be increased for Virginia undergraduates beyond five percent annually, excluding requirements for wage, salary, and fringe benefit increases, authorized by the General Assembly. Fee increases required to carry out actions that respond to mandates of federal agencies are also exempt from this provision, provided that a report on the purposes of the amount of the fee increase is submitted to the Chairmen of the House Appropriations and Senate Finance Committees by the institution of higher education at least 30 days prior to the effective date of the fee increase.

b) This restriction shall not apply in the following instances: fee increases directly related to capital projects authorized by the General Assembly; fee increases to support student health services; and other fee increases specifically authorized by the General Assembly.

c) Due to the small mandatory non-educational and general program fees currently assessed students in the Virginia Community College System, increases in any one year of no more than \$15 shall be allowed on a cost-justified case-by-case basis, subject to approval by the State Board for Community Colleges.

9.a) At the request of an institution of higher education, the Director, Department of Planning and Budget, shall administratively appropriate and allot increases in nongeneral fund revenues appropriated in this act from all sources except tuition and fees used in support of Educational and General program.

b) To the extent an institution seeks to increase tuition and fee revenue for use within the educational and general programs above the levels specified in this act, the Department of Planning and Budget may administratively appropriate and allot increases up to one percent of the appropriated amounts without review and certification by the State Council of Higher Education for Virginia.

c) For requested increases above one percent of the appropriated levels identified in this act, institutions shall seek certification from the State Council of Higher Education for Virginia prior to approval by the Director, Department of Planning and Budget.

d) The State Council of Higher Education for Virginia shall review and certify that the request for additional revenue is needed as the result of higher than anticipated enrollments, a change in the mix of student enrollments, an increase in revenue from self-supporting non-credit or for-credit education or training programs, legislatively approved programmatic funding requirements identified in this act, or appropriate technical adjustments.

e) The Director, Department of Planning and Budget, shall administratively appropriate and allot the increases certified by the State Council of Higher Education for Virginia, provided that the additional revenue is applied solely to the operating needs of the educational and general programs and that the request for additional nongeneral fund budget authority is consistent with budget items adopted in this act.

10. It is the intent of the General Assembly that any institution of higher education granting new tuition waivers to resident or nonresident students not authorized by the Code of Virginia must absorb the cost of any discretionary waivers.

11. The entitlement to resident tuition charges referenced in § 23-7.4:2 A (iii), Code of Virginia, shall be suspended through June 30, 2006.

12. Tuition and fee revenues from nonresident students taking courses through Virginia institutions from the Southern Regional Education Board's Southern Regional Electronic Campus must exceed all direct and indirect costs of providing instruction to those students. Tuition and fee rates to meet this requirement shall be established by the Board of Visitors of the institution.

13. The entitlement to resident charges, at four-year institutions, shall not extend beyond 125 percent of the credit hours needed to satisfy the degree requirements for a particular undergraduate program excluding transfer or advanced placement credits. Resident students taking in excess of 125 percent of the credit hours needed to satisfy the degree requirements for a particular program shall not be eligible to receive awards through state-sponsored financial aid programs. The State Council of Higher Education for Virginia shall establish procedures through which institutions shall implement this provision.”

Capital Projects
General

Item 4-4.01 #1s

Language

Language:

Page 458, line 23, before “Any alternative...”, insert “Prior to requesting authorization for new dormitory capital projects, institutions of higher education shall conduct a cost study to determine

whether an alternative financing arrangement or public-private transaction would provide a more effective option for the construction of the proposed facility. This study shall be submitted to the Department of Planning and Budget as part of the budget development process and shall be evaluated by the Governor prior to submitting his proposed budget.”

Capital Projects Item 4-4.01 #2s
 General

Language

Language:

Page 458, after line 24, insert:

“y. It is the intent of the General Assembly that the Department of Conservation and Recreation may be authorized to accept by gift or purchase any lands for State Park or Natural Area purposes which may become available, and that are not specifically appropriated by the General Assembly, when such acquisitions are made in accordance with the provisions of this section and other applicable provisions of state law.”

Capital Projects Item 4-4.01 #4s
 General

Language

Language:

Page 455, following line 53, insert:

“4. The Governor shall include funding of the Virginia Public Building Authority's Capital Repairs and Improvements Revolving Fund for all projects financed with the debt as set forth in this section and including debt incurred and such debt instruments shall provide for the restriction of the Fund's resources.”

Special Conditions and Restrictions on Expenditures Item 4-5.06 #1s
 Goods and Services

Language

Language:

Page 462, line 45, after “request from” insert “the Virginia Community College System or from”

Special Conditions and Restrictions on Expenditures Item 4-5.06 #2s
 Goods and Services

Language

Language:

Page 463, line 10, insert:

“g. To ensure that the Commonwealth's research universities maintain a competitive position with access to the national optical research network infrastructure including the National LambdaRail and Internet2, the NetworkVirginia Contract Administrator is hereby authorized to renegotiate the term of the existing contracts. Additionally, the contract administrator is authorized to competitively negotiate additional agreements in accordance with the Code of Virginia and all applicable regulations, as required, to establish and maintain research network infrastructure.”

Positions and Employment Item 4-6.01 #1s
 Employee Compensation

Language

Language:

Page 472, line 45, strike "\$84,128 \$84,128 \$86,652".

Page 472, line 45, insert "\$95,000 \$95,000 \$97,850".

Positions and Employment
Employee Compensation

Item 4-6.01 #1s

Language

Language:

Page 469, after line 15, insert:

"Commissioner, Department of Veterans Services \$104,891 \$104,891 \$108,038".

Page 471, line 8, strike:

"\$81,105 \$81,105 \$83,538" and insert "\$96,360 \$96,360 \$99,251".

Page 471, strike lines 43 and 44.

Positions and Employment
Employee Compensation

Item 4-6.01 #2s

Language

Language:

Page 468, line 16, after "Science Museum of Virginia," insert "The Virginia Museum of Natural History,".

Positions and Employment
Employee Compensation

Item 4-6.01 #3s

Language

Language:

Page 470, strike lines 31 and 32.

Positions and Employment
Employee Compensation

Item 4-6.01 #4s

Language

Language:

Page 470, strike lines 45 and 46.

Positions and Employment
Employee Compensation

Item 4-6.01 #5s

Language

Language:

Page 468, after line 15, insert:

"Chief Information Officer, Virginia
Information Technologies Agency \$151,103 \$151,103 \$155,636".

Positions and Employment
Employee Compensation

Item 4-6.01 #6s

Language

Language:

Page 468, line 42, strike "\$132,925 \$132,925 \$136,913".

Page 468, line 42, insert "\$151,103 \$151,103 \$156,603".

Part 5

Item 5-0 #1s

Language

Language:

Page 480, strike lines 1 through

Page 501, line 23 and insert:

PART 5: ENACTMENT NUMBERS 2 THROUGH 6

2. That §§ 58.1-1001, 58.1-1009, and 58.1-1018 of the Code of Virginia are amended and reenacted, that the Code of Virginia is amended by adding in Title 32.1 a chapter numbered 15, consisting of sections numbered 32.1-366 and 32.1-367, and that the Code of Virginia is amended by adding in Chapter 10 of Title 58.1 an article numbered 2.1, consisting of sections numbered 58.1-1021.01 through 58.1-1021.05, as follows:

CHAPTER 15.

VIRGINIA HEALTH CARE FUND.

§ 32.1-366. *Virginia Health Care Fund Established.*

A. *There is hereby created in the state treasury a special nonreverting fund to be known as the Virginia Health Care Fund, hereafter referred to as the "Fund." The Fund shall be established on the books of the Comptroller and any moneys remaining in the Fund at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. For purposes of the Comptroller's preliminary and final annual reports required by § 2.2-813, however, all deposits to and disbursements from the Fund shall be accounted for as part of the general fund of the state treasury.*

B. *All revenue received by the Commonwealth pursuant to the provisions of §§ 58.1-1001 and 58.1-1018 and Article 2.1 (§ 58.1-1021.01 et seq.) of Chapter 10 of Title 58.1 shall be paid into the state treasury and deposited to the Fund. The Comptroller shall also deposit 40 percent of the Commonwealth's allocation pursuant to the Master Settlement Agreement with tobacco product manufacturers, as defined in § 3.1-1106, to the Fund. The Fund shall also consist of all recoveries received during a fiscal year resulting from expenditures incurred in the Medicaid program during a prior fiscal year or years to the extent that such amounts represent recoveries of state funds that would otherwise be deposited to the general fund of the state treasury.*

§ 32.1-367. *Uses of Virginia Health Care Fund.*

Moneys deposited to the Fund shall be used solely for the provision of health care services. Health care services include, but are not limited to, Medicaid payments, disease diagnosis, prevention and control, and community health services. Disbursements from the Fund shall be made in accordance with appropriations made by law.

§ 58.1-1001. *Tax levied; rate.*

In addition to all other taxes now imposed by law, every person within this Commonwealth who sells, stores or receives cigarettes made of tobacco or any substitute thereof, for the purpose of distribution to any person within this Commonwealth, shall pay to this Commonwealth an excise tax of one and one-quarter mills on each such cigarette sold, stored or received before July 1, 2004; an excise tax of one cent on each such cigarette sold, stored or received on or after July 1, 2004, through midnight on June 30, 2005; and an excise tax of 1.75 cents on each such cigarette sold, stored or received on or after July 1, 2005.

The revenues generated by the tax imposed under this section on and after July 1, 2004, shall be collected by the Department and deposited into the Virginia Health Care Fund established under § 32.1-366.

§ 58.1-1009. *Preparation, design and sale of stamps; unlawful sale or purchase of stamps a felony; penalty.*

A. The Department is hereby authorized and directed to have prepared and to sell stamps suitable for denoting the tax on all cigarettes. The Department shall design, adopt and promulgate the form and kind of stamps to be used. Stamps so adopted and promulgated shall be known as and termed "Virginia revenue stamps," and in any information or indictment, it shall be sufficient to describe the stamps as "Virginia revenue stamps."

Any person other than the Department who sells such revenue stamps, not affixed to cigarettes sold and delivered by them, whether the said stamps be genuine or counterfeit, shall be guilty of a Class 6 felony. Any person who purchases revenue stamps from anyone other than the Department, unless such stamps are already affixed to cigarettes being purchased by and delivered to him, or who uses or affixes, or causes to be used or affixed, any revenue stamps not purchased from the Department by the owner of the cigarettes being handled or stamped, whether such stamps are genuine or counterfeit, shall be guilty of a Class 6 felony. When wholesalers have qualified as such with the Department, as provided in § 58.1-1011, and purchase stamps as prescribed herein for use on taxable cigarettes sold and delivered by them, the Department shall allow on such sales of revenue stamps a discount of two and one-half cents per carton. ~~In addition to any other penalties provided by law, the Department may revoke the permit issued, in accordance with § 58.1-1011, to any person who violates this section.~~

As used herein "carton" shall mean ten packs of cigarettes, each containing twenty cigarettes. All stamps prescribed by the Department shall be designed and furnished in such a fashion as to permit identification of the wholesale dealer or retail dealer that affixed the stamp to the particular package of cigarettes, by means of a serial number or other mark on the stamp. The Department shall maintain for not less than three years information identifying which wholesale dealer or retail dealer affixed the revenue stamp to each package of cigarettes.

B. 1. The Department shall provide Virginia revenue stamps to certain wholesale dealers holding a current permit issued pursuant to § 58.1-1011 prior to collecting the tax imposed under this chapter from such wholesale dealer. Such wholesale dealers shall be allowed to obtain the stamps from the Department without concurrent payment of the tax only if the conditions of this subsection are satisfied.

In order to obtain Virginia revenue stamps without concurrent payment of the tax imposed under this chapter, a wholesale dealer shall (i) file a bond with a corporate surety licensed to do business in Virginia, or (ii) file an irrevocable letter of credit satisfactory to the Tax Commissioner as to the bank or savings institution, the form and substance, and payable to the Commonwealth in the face amount of approximately two times the anticipated average monthly amount in purchases of Virginia revenue stamps by the wholesale dealer as determined by the Commissioner. The letter of credit shall be from a bank incorporated or authorized to conduct banking business under the laws of the Commonwealth or authorized to do business in the Commonwealth under the banking laws of the United States, or a federally insured savings institution located in the Commonwealth. Such bond or irrevocable letter of credit shall be conditioned upon payment of the tax imposed by this chapter relating to Virginia revenue stamps obtained by the wholesale dealer from the Department (without concurrent payment of the tax) for which such tax, net of any applicable discount described in subsection A, shall be paid within the 30 days immediately following the date that the related revenue stamp or stamps were provided by the Department to such wholesale dealer. Any such bond shall be so written that, on timely payment of the premium thereon, it shall continue in force from year to year unless sooner terminated.

2. Any surety on a bond filed by any wholesale dealer shall be released and discharged from any and all liability to the Commonwealth accruing on such bond after the expiration of 60 days from the date upon which such surety shall have lodged with the Commissioner written request to be released and discharged. But such request shall not operate to relieve, release or discharge such surety from any liability already accrued or which shall accrue before the expiration of such 60-day period. The Commissioner shall, promptly on receipt of such notice, notify the wholesale dealer who furnished such bond. Unless such dealer on or before the expiration of such 60 days' notice files with the Commissioner a new bond or letter of credit that meets all the conditions described in subdivision 1, the Commissioner shall forthwith require the wholesale dealer to pay the tax imposed under this chapter concurrent with obtaining revenue stamps from the Department.

In the event that liability upon the bond or letter of credit filed by the wholesale dealer with the Commissioner shall be discharged or reduced, whether by judgment rendered, payment made or otherwise, or if in the opinion of the Commissioner any surety on the bond becomes unsatisfactory or unacceptable, then the Commissioner may require the filing of a new bond or letter of credit. Unless such new bond or letter of credit meets all the conditions described in subdivision 1, the Commissioner shall forthwith require the wholesale dealer to pay the tax imposed under this chapter concurrent with obtaining revenue stamps from the Department.

3. Notwithstanding any other provision in this subsection, the Tax Commissioner, for good cause, shall require a wholesale dealer to pay the tax imposed under this chapter concurrent with obtaining revenue stamps from the Department, regardless of whether or not such dealer has filed or agreed to file the bond or letter of credit described in this subsection.

C. In addition to any other penalties provided by law, the Department may revoke the permit issued, in accordance with § 58.1-1011, to any person who violates any provision of this section.

§ 58.1-1018. Tax imposed on storage, use or consumption of cigarettes; exemption of products on which sales tax has been paid.

An excise tax is hereby imposed on the storage, use or other consumption in this Commonwealth of cigarettes purchased at retail in an amount equal to that set out in § 58.1-1001. Every person storing, using or otherwise consuming in this Commonwealth cigarettes purchased at retail shall be liable for the tax imposed by this article, and the liability shall not be extinguished until the tax has been paid to this Commonwealth; however, if such cigarettes have attached thereto the requisite stamps or if the excise tax imposed by Article 1 (§ 58.1-1000 et seq.) has been paid by the seller of such cigarettes, then the tax imposed by this article shall not be due.

The revenues generated by the tax imposed under this section on and after July 1, 2004, shall be collected by the Department and deposited into the Virginia Health Care Fund established under § 32.1-366.

Article 2.1.

Tobacco Products Tax.

§ 58.1-1021.01. Definitions.

As used in this article, unless the context clearly shows otherwise, the term or phrase:

“Package” means any package, bag, box, can, or other container in which tobacco products are packaged and sold.

“Purchase price” means the same as sales price but applies to the total price paid for tobacco products.

“Retail dealer” means every person other than a wholesale dealer, as defined in this section, who sells or offers for sale any tobacco product.

“Sales price” means the total amount for which tobacco products are sold, valued in money, whether paid in money or otherwise, and includes any amount for which credit is given to the purchaser by the dealer, without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor or service costs, losses or any other expenses whatsoever. “Sales price” shall not include any cash discount allowed and taken or finance charges, carrying charges, service charges or interest from credit extended on sales of tobacco products.

“Tobacco product” or “tobacco products” means (i) “cigar” as defined in § 5702 (a) of the Internal Revenue Code, and as such section may be amended; (ii) “smokeless tobacco” as defined in § 5702 (m) of the Internal Revenue Code, and as such section may be amended; (iii) “pipe tobacco” as defined in § 5702 (n) of the Internal Revenue Code, and as such section may be amended; or (iv) “roll-your-own tobacco” as defined in § 5702 (o) of the Internal Revenue Code, and as such section may be amended.

“Wholesale dealer” means persons who sell any tobacco product at wholesale to retail dealers, or who sell any tobacco product at wholesale to institutional, commercial or industrial users.

§ 58.1-1021.02. Tax on tobacco products.

A. In addition to all other taxes now imposed by law, there is hereby imposed a tax on every wholesale dealer within the Commonwealth selling any tobacco product to a retail dealer located in the Commonwealth or selling any tobacco product to institutional, commercial or industrial users located in

the Commonwealth. For purposes of such tax, chain store distribution centers or houses that distribute any tobacco product to their stores for sale at retail shall be deemed to be a wholesale dealer selling to a retail dealer.

The tax shall be imposed at a rate of 10 percent of the sales price charged by the wholesale dealer for each such package of tobacco product sold to a retail dealer or institutional, commercial or industrial user. In any case where a chain store distribution center or house distributes any tobacco product to its stores, the tax shall be imposed on the purchase price paid by the chain store distribution center or house for each such package of tobacco product so distributed.

B. In addition to all other taxes now imposed by law, there is hereby imposed a tax on every retail dealer within the Commonwealth purchasing any tobacco product from a wholesale dealer located outside the Commonwealth.

The tax shall be imposed at a rate of 10 percent of the purchase price paid by the retail dealer for each such package of tobacco product purchased from a wholesale dealer located outside the Commonwealth.

§ 58.1-1021.03. Monthly return and payments of tax.

A. Every wholesale dealer subject to the tax imposed under this article shall, beginning with the month of October 2004, file a monthly return no later than the tenth of each month on a form prescribed by the Department, covering the sale of tobacco products by such dealer, for which a tax is imposed pursuant to subsection A of 58.1-1021.02, during the preceding month. The return shall contain or be accompanied by such further information as the Department shall require. The wholesale dealer, at the time of filing the return, shall pay to the Department the tax imposed under subsection A of § 58.1-1021.02 on the sales price for each such package of tobacco product sold in the preceding month.

B. Every retail dealer subject to the tax imposed under this article shall, beginning with the month of October 2004, file a monthly return no later than the tenth of each month on a form prescribed by the Department, covering the purchase of tobacco products by such dealer, for which a tax is imposed pursuant to subsection B of 58.1-1021.02, during the preceding month. The return shall contain or be accompanied by such further information as the Department shall require. The retail dealer, at the time of filing the return, shall pay to the Department the tax imposed under subsection B of § 58.1-1021.02 on the purchase price for each such package of tobacco product purchased in the preceding month.

§ 58.1-1021.04. Failure to file return; fraudulent return; penalties; interest; overpayment of tax.

A. When any wholesale dealer or retail dealer fails to make any return or pay the full amount of the tax required by this article, there shall be imposed a specific penalty to be added to the tax in the amount of five percent if the failure is for not more than one month, with an additional two percent for each additional month, or fraction thereof, during which the failure continues, not to exceed 20 percent in the aggregate. In no case, however, shall the penalty be less than \$10 and such minimum penalty shall apply whether or not any tax is due for the period for which such return was required. If such failure is due to providential or other good cause shown to the satisfaction of the Tax Commissioner, such return with or without remittance may be accepted exclusive of penalties. In the case of a false or fraudulent return where willful intent exists to defraud the Commonwealth of any tax due under this article, or in the case of a willful failure to file a return with the intent to defraud the Commonwealth of any such tax, a specific penalty of 50 percent of the amount of the proper tax shall be assessed. All penalties and interest imposed by this article shall be payable by the wholesale dealer or retail dealer and collectible by the Department in the same manner as if they were a part of the tax imposed.

B. It shall be prima facie evidence of intent to defraud the Commonwealth of any tax due under this article when any wholesale dealer or retail dealer reports his sales or purchases, as the case may be, at 50 percent or less of the actual amount.

C. Interest at a rate determined in accordance with § 58.1-15 shall accrue on the tax until the same is paid.

No deficiency, interest or penalty shall be assessed for any month after the expiration of three years from the date set for the filing of the return for such month, except in cases of fraud, or where no return has been filed for such month.

D. If the Tax Commissioner determines that the amount paid the Commonwealth under this article in regard to any monthly return was greater than the amount of tax due the Commonwealth, the excess may be taken as a credit by the wholesale dealer or retail dealer against a subsequent month's tax imposed under this article. However, if such wholesale dealer or retail dealer requests a refund, such excess shall be refunded to the dealer within 45 days of the request. The refund shall include interest at the rate provided in § 58.1-15. Interest on such refunds shall accrue from the due date of the return to which such excess is attributable to or the date such excess was paid to the Department, whichever is later, and shall end on a date determined by the Department preceding the date of the refund check by not more than seven days.

§ 58.1-1021.05. Use of revenues.

The revenues generated by the taxes imposed under this article shall be collected by the Department and deposited into the Virginia Health Care Fund established under § 32.1-366.

3. That the taxes set forth under Article 2.1 (§ 58.1-1021.01 et seq.) of Chapter 10 of Title 58.1 pursuant to the second enactment of this act shall be imposed beginning September 1, 2004, for taxable sales or purchases under such article occurring on or after such date.

4. That the Tax Commissioner shall establish guidelines and rules for (i) transitional procedures in regard to the increase in the state cigarette tax and (ii) implementation of the tax on tobacco products under Article 2.1 (§ 58.1-1021.01 et seq.) of Chapter 10 of Title 58.1 pursuant to the second enactment of this act. Such guidelines and rules issued by the Tax Commissioner shall be exempt from the provisions of the Administrative Process Act (§ 2.2-4000 et seq.).

5. That the provisions of the first enactment of this act shall expire midnight on June 30, 2006. The provisions of all other enactments shall have no expiration date.

6. That this act is effective on July 1, 2004.

Part 5

Item 5-0 #2s

Language

Language:

Page 480, strike lines 1 through

Page 501, line 23 and insert:

PART 5: ENACTMENT NUMBERS 2 THROUGH 6

2. That §§ 10.1-1020, 10.1-2128, 10.1-2133, 58.1-302, 58.1-320, 58.1-321, 58.1-322, 58.1-324, 58.1-339.8, 58.1-341, 58.1-391, 58.1-392, 58.1-402, 58.1-415, 58.1-441, 58.1-520, 58.1-603, 58.1-604, 58.1-604.1, 58.1-608.3, 58.1-609.3, 58.1-611.1, 58.1-614, 58.1-615, 58.1-627, 58.1-628, 58.1-638, 58.1-639, 58.1-801, 58.1-803, 58.1-807, 58.1-808, 58.1-815, 58.1-816, 58.1-901, 58.1-902, 58.1-2402, 58.1-2425, and 58.1-3833 of the Code of Virginia are amended and reenacted, that the Code of Virginia is amended by adding in Title 10.1 a chapter numbered 21.2 consisting of a section numbered 10.1-2135, by adding sections numbered 58.1-390.1, 58.1-390.2 and 58.1-393.1, and by adding in Article 9 of Chapter 3 of Title 58.1 sections numbered 58.1-394.1, 58.1-394.2, and 58.1-395, as follows:

§ 10.1-1020. Virginia Land Conservation Fund; purposes of Foundation.

A. The Foundation shall establish, administer, manage, including the creation of reserves, and make expenditures and allocations from a special, nonreverting fund in the state treasury to be known as the Virginia Land Conservation Fund, hereinafter referred to as the Fund. The Foundation shall establish and administer the Fund solely for the purposes of:

1. Acquiring fee simple title to or other rights, interests or privileges in property for the protection or preservation of ecological, cultural or historical resources, lands for recreational purposes, state forest lands, and lands for threatened or endangered species, fish and wildlife habitat, natural areas, agricultural and forestal lands and open space; and

2. Providing grants to state agencies, including the Virginia Outdoors Foundation, and matching grants to other public bodies and holders for acquiring fee simple title to or other rights, interests or

privileges in real property for the protection or preservation of ecological, cultural or historical resources, lands for recreational purposes, and lands for threatened or endangered species, fish and wildlife habitat, natural areas, agricultural and forestal lands and open space. The Board shall establish criteria for making grants from the Fund, including procedures for determining the amount of each grant and the required match. The criteria shall include provisions for grants to localities for purchase of development rights programs.

Interests in land acquired as provided in subdivision 1 of this subsection may be held by the Foundation or transferred to state agencies or other appropriate holders. Whenever a holder acquires any interest in land other than a fee simple interest as a result of a grant or transfer from the Foundation, such interest shall be held jointly by the holder and a public body. Whenever a holder acquires a fee simple interest in land as a result of a grant or transfer from the Foundation, a public body shall hold an open space easement in such land.

B. The Fund shall consist of ~~general fund moneys~~ *the transfers in each fiscal year pursuant to § 10.1-2135* and gifts, endowments or grants from the United States government, its agencies and instrumentalities, and funds from any other available sources, public or private. Such moneys, gifts, endowments, grants or funds from other sources may be either restricted or unrestricted. For the purposes of this chapter, "restricted funds" shall mean those funds received by the Board to which specific conditions apply; "restricted funds" shall include, but not be limited to, general obligation bond moneys and conditional gifts. "Unrestricted funds" shall mean those received by the Foundation to which no specific conditions apply; "unrestricted funds" shall include, but not be limited to, moneys appropriated to the Fund by the General Assembly to which no specific conditions are attached and unconditional gifts.

C. After an allocation for administrative expenses has been made as provided in subsection F, the remaining unrestricted funds in the Fund shall be allocated as follows:

1. Twenty-five percent shall be transferred to the Open-Space Lands Preservation Trust Fund to be used as provided in § 10.1-1801.1; and

2. Seventy-five percent shall be divided equally among the following four uses: (i) natural area protection; (ii) open spaces and parks; (iii) farmlands and forest preservation; and (iv) historic area preservation. Of the amount allocated as provided in this subdivision, at least one third shall be used to secure easements to be held or co-held by a public body.

D. Any moneys remaining in the Fund at the end of a biennium shall remain in the Fund, and shall not revert to the general fund. Interest earned on moneys received by the Fund other than bond proceeds shall remain in the Fund and be credited to it.

E. A portion of the Fund, not to exceed ~~twenty~~ *20* percent of the annual balance of unrestricted funds, may be used to develop properties purchased in fee simple with the assets of the Fund for public use including, but not limited to, development of trails, parking areas, infrastructure, and interpretive projects or to conduct environmental assessments or other preliminary evaluations of properties prior to the acquisition of any property interest.

F. Up to \$250,000 per year of the interest generated by the Fund may be used for the Foundation's administrative expenses, including, but not limited to, the expenses of the Board and its members, development of the Foundation's strategic plan, development and maintenance of an inventory of properties as provided in subdivision 1 b of § 10.1-1021, development of a needs assessment for future expenditures as provided in subdivision 1 c of § 10.1-1021, and fulfillment of reporting requirements. All such expenditures shall be subject to approval by the Board of Trustees.

G. The Comptroller shall maintain the restricted funds and the unrestricted funds in separate accounts.

H. For the purposes of this section, "public body" shall have the meaning ascribed to it in § 10.1-1700, and "holder" shall have the meaning ascribed to it in § 10.1-1009.

§ 10.1-2128. Virginia Water Quality Improvement Fund established; purposes.

A. There is hereby established in the state treasury a special permanent, nonreverting fund, to be known as the "Virginia Water Quality Improvement Fund." The Fund shall be established on the books of the Comptroller. The Fund shall consist of sums appropriated to it by the General Assembly which shall

include, unless otherwise provided in the general appropriation act, ~~ten~~ 10 percent of the annual general fund revenue collections that are in excess of the official estimates in the general appropriation act ~~and ten percent of any unreserved general fund balance at the close of each fiscal year whose reappropriation is not required in the general appropriation act~~ for the relevant fiscal year up to a total of \$20 million in any fiscal year. Pursuant to § 2.2-1514, at the end of each fiscal year the Comptroller shall set aside such amount for deposit into the Fund from such excess general fund revenue collections. The Fund shall also consist of the transfers in each fiscal year pursuant to § 10.1-2135 and such other sums as may be made available to it from any other source, public or private, and shall include any penalties or damages collected under this article, federal grants solicited and received for the specific purposes of the Fund, and all interest and income from investment of the Fund. Any sums remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. All moneys designated for the Fund shall be paid into the state treasury and credited to the Fund. Moneys in the Fund shall be used solely for Water Quality Improvement Grants. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon the written request of the Director of the Department of Environmental Quality or the Director of the Department of Conservation and Recreation as provided in this chapter.

B. The purpose of the Fund is to provide Water Quality Improvement Grants to local governments, soil and water conservation districts, institutions of higher education and individuals for point and nonpoint source pollution prevention, reduction and control programs and efforts undertaken in accordance with the provisions of this chapter. The Fund shall not be used for agency operating expenses or for purposes of replacing or otherwise reducing any general, nongeneral, or special funds allocated or appropriated to any state agency; however, nothing in this section shall be construed to prevent the award of a Water Quality Improvement Grant to a local government in connection with point or nonpoint pollution prevention, reduction and control programs or efforts undertaken on land owned by the Commonwealth and leased to the local government.

§ 10.1-2133. Annual report by State Comptroller.

The State Comptroller shall, by January 1 of each year, certify to the chairmen of the House Committee on Appropriations and the Senate Committee on Finance, the total amount of annual general fund revenue collections in excess of the official estimate in the general appropriation act ~~the total amount of the unreserved general fund balance whose reappropriation is not required in the general appropriation act~~ at the close of the previous fiscal year and the total amount of funds that are to be directed to the credit of the Virginia Water Quality Improvement Fund under this article *and pursuant to § 10.1-2135* unless otherwise provided in the general appropriation act.

CHAPTER 21.2.

VIRGINIA NATURAL AND HISTORIC RESOURCES FUND.

§ 10.1-2135. *Virginia Natural and Historic Resources Fund; established.*

A. *There is hereby created in the state treasury a special permanent, nonreverting, interest-bearing fund to be known as the Virginia Natural and Historic Resources Fund, hereinafter referred to as "the Fund." The Fund shall be established on the books of the Comptroller. The Fund shall consist of (i) any sales and use tax revenues transferred pursuant to subsection F of § 58.1-638; (ii) any other moneys appropriated to it by the General Assembly; and (iii) such other sums as may be made available to it from any other source, public or private, all of which shall be credited to the Fund. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall remain in the Fund and shall not revert to the general fund.*

B. *On a quarterly basis, all moneys deposited in the Fund including interest, with the exception of any sales and use tax revenues transferred pursuant to subsection F of § 58.1-638, shall be allocated by the Secretary of Natural Resources in the following manner:*

1. *No less than 40 percent and no more than 60 percent of the moneys in the Fund shall be deposited into the Virginia Land Conservation Fund to be expended as provided in Chapter 10.2 (§ 10.1-1017 et seq.) of this title; and*

2. *The remainder of the moneys in the Fund shall be deposited into the Virginia Water Quality Improvement Fund to be expended as provided in Chapter 21.1 (§ 10.1-2117 et seq.) of this title.*

C. The \$30 million of sales and use tax revenues transferred in each fiscal year to the Fund pursuant to subsection F of § 58.1-638 shall be transferred out of the Fund in each fiscal year by the Comptroller as follows:

1. \$14,812,500 shall be transferred to the Virginia Land Conservation Fund to be expended as provided in Chapter 10.2 (§ 10.1-1017 et seq.) of this title;

2. \$14,812,500 shall be transferred to the Virginia Water Quality Improvement Fund to be expended as provided in Chapter 21.1 (§ 10.1-2117 et seq.) of this title; and

3. A total of \$375,000 shall be transferred among the Department of Environmental Quality and the Department of Conservation and Recreation for operations as provided in the general appropriation act.

The Comptroller shall make the transfers required by this subsection as soon as practicable. The Comptroller shall make such transfers to the Virginia Land Conservation Fund and to the Virginia Water Quality Improvement Fund on the same calendar day or days and in the same amount to each Fund.

§ 58.1-302. Definitions.

For the purpose of this chapter and unless otherwise required by the context:

“Affiliated” means two or more corporations subject to Virginia income taxes whose relationship to each other is such that (i) one corporation owns at least ~~eighty~~ ^{eighty} 80 percent of the voting stock of the other or others or (ii) at least ~~eighty~~ ^{eighty} 80 percent of the voting stock of two or more corporations is owned by the same interests.

“Compensation” means wages, salaries, commissions and any other form of remuneration paid or accrued to employees for personal services.

“Corporation” includes associations, joint stock companies and insurance companies.

“Domicile” means the permanent place of residence of a taxpayer and the place to which he intends to return even though he may actually reside elsewhere. In determining domicile, consideration may be given to the applicant’s expressed intent, conduct, and all attendant circumstances including, but not limited to, financial independence, business pursuits, employment, income sources, residence for federal income tax purposes, marital status, residence of parents, spouse and children, if any, leasehold, sites of personal and real property owned by the applicant, motor vehicle and other personal property registration, residence for purposes of voting as proven by registration to vote, if any, and such other factors as may reasonably be deemed necessary to determine the person’s domicile.

“Earned income” means wages, salaries, professional fees, or amounts received as compensation for professional services actually rendered, but does not include that part of the compensation derived by the taxpayer for personal services rendered by him to a business that represents a distribution of earnings or profits rather than a reasonable allowance as compensation for the personal services actually rendered. Earned income does not include interest or dividend income, capital gains, income from investments, or similar types of passive income.

“Foreign source income” means:

1. Interest, other than interest derived from sources within the United States;

2. Dividends, other than dividends derived from sources within the United States;

3. Rents, royalties, license, and technical fees from property located or services performed without the United States or from any interest in such property, including rents, royalties, or fees for the use of or the privilege of using without the United States any patents, copyrights, secret processes and formulas, good will, trademarks, trade brands, franchises, and other like properties;

4. Gains, profits, or other income from the sale of intangible or real property located without the United States; and

5. The amount of an individual’s share of net income attributable to a foreign source qualified business unit of an electing small business corporation (S corporation). For purposes of this subsection, qualified business unit shall be defined by § 989 of the Internal Revenue Code, and the source of such income shall be determined in accordance with §§ 861, 862 and 987 of the Internal Revenue Code.

In determining the source of “foreign source income,” the provisions of §§ 861, 862, and 863 of the Internal Revenue Code shall be applied except as specifically provided in subsection 5 above.

“Income and deductions from Virginia sources” includes:

1. Items of income, gain, loss and deduction attributable to:

- a. The ownership of any interest in real or tangible personal property in Virginia;
- b. A business, trade, profession or occupation carried on in Virginia; or
- c. Prizes paid by the Virginia Lottery Department, and gambling winnings from wagers placed or paid at a location in Virginia.

2. Income from intangible personal property, including annuities, dividends, interest, royalties and gains from the disposition of intangible personal property to the extent that such income is from property employed by the taxpayer in a business, trade, profession, or occupation carried on in Virginia.

“Individual” means all natural persons whether married or unmarried and fiduciaries acting for natural persons, but not fiduciaries acting for trusts or estates.

“Intangible expenses and costs” means:

1. *Expenses, losses and costs for, related to, or in connection directly or indirectly with the direct or indirect acquisition, use, maintenance or management, ownership, sale, exchange, lease, transfer, or any other disposition of intangible property to the extent such amounts are allowed as deductions or costs in determining taxable income;*

2. *Losses related to or incurred in connection directly or indirectly with factoring transactions or discounting transactions;*

3. *Royalty, patent, technical and copyright fees;*

4. *Licensing fees; and*

5. *Other similar expenses and costs.*

“Intangible property” means patents, patent applications, trade names, trademarks, service marks, copyrights and similar types of intangible assets, as well as money.

“Interest expenses and costs” means amounts directly or indirectly allowed as deductions under Section 163 of the Internal Revenue Code for purposes of determining taxable income under the Internal Revenue Code to the extent such expenses and costs are directly or indirectly for, related to, or in connection with the direct or indirect acquisition, use, maintenance, management, ownership, sale, exchange, lease, transfer, or disposition of intangible property.

“Nonresident estate or trust” means an estate or trust which is not a resident estate or trust.

“Related entity” means:

1. *A stockholder who is an individual, or a member of the stockholder’s family enumerated in Section 318 of the Internal Revenue Code, if the stockholder and the members of the stockholder’s family own, directly, indirectly, beneficially or constructively, in the aggregate, at least 50 percent of the value of the taxpayer’s outstanding stock;*

2. *A stockholder, or a stockholder’s partnership, limited liability company, estate, trust or corporation, if the stockholder and the stockholder’s partnerships, limited liability companies, estates, trusts and corporations own directly, indirectly, beneficially or constructively, in the aggregate, at least 50 percent of the value of the taxpayer’s outstanding stock; or*

3. *A corporation, or a party related to the corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under the attribution rules of Section 318 of the Internal Revenue Code, if the taxpayer owns, directly, indirectly, beneficially or constructively, at least 50 percent of the value of the corporation’s outstanding stock. The attribution rules of Section 318 of the Internal Revenue Code shall apply for purposes of determining whether the ownership requirements of this subdivision have been met.*

“Related member” means a person that, with respect to the taxpayer during all or any portion of the taxable year, is a related entity, a component member as defined in Section 1563(b) of the Internal Revenue Code, or is a person to or from whom there is attribution of stock ownership in accordance with Section 1563(e) of the Internal Revenue Code.

“Resident” applies only to natural persons and includes, for the purpose of determining liability for the taxes imposed by this chapter upon the income of any taxable year every person domiciled in Virginia at any time during the taxable year and every other person who, for an aggregate of more than 183 days of the taxable year, maintained his place of abode within Virginia, whether domiciled in Virginia or not. The word “resident” shall not include any member of the United States Congress who is domiciled in another state.

“Resident estate or trust” means:

1. The estate of a decedent who at his death was domiciled in the Commonwealth;
2. A trust created by will of a decedent who at his death was domiciled in the Commonwealth;
3. A trust created by or consisting of property of a person domiciled in the Commonwealth; or
4. A trust or estate which is being administered in the Commonwealth.

“Sales” means all gross receipts of the corporation not allocated under § 58.1-407, except the sale or other disposition of intangible property shall include only the net gain realized from the transaction.

“State” means for purposes of Article 10 of this chapter any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, and any foreign country.

“Trust” or “estate” means a trust or estate, or a fiduciary thereof, which is required to file a fiduciary income tax return under the laws of the United States.

“Virginia fiduciary adjustment” means the net amount of the applicable modifications described in § 58.1-322 (including subsection E thereof if the estate or trust is a beneficiary of another estate or trust) which relate to items of income, gain, loss or deduction of an estate or trust. The fiduciary adjustment shall not include the modification in subsection D of § 58.1-322, except that the amount of state income taxes excluded from federal taxable income shall be included. The fiduciary adjustment shall also include the modification in subsection D of § 58.1-322, regarding the deduction for the purchase of a prepaid tuition contract or contribution to a savings trust account.

§ 58.1-320. Imposition of tax.

A tax is hereby annually imposed on the Virginia taxable income for each taxable year of every individual as follows:

Two percent on income not exceeding \$3,000;

Three percent on income in excess of \$3,000, but not in excess of \$5,000;

Five percent on income in excess of \$5,000, but not in excess of \$12,000 for taxable years beginning before January 1, 1987;

Five percent on income in excess of \$5,000 but not in excess of \$14,000 for taxable years beginning January 1, 1987, through December 31, 1987;

Five percent on income in excess of \$5,000 but not in excess of \$15,000 for taxable years beginning January 1, 1988, through December 31, 1988;

Five percent on income in excess of \$5,000 but not in excess of \$16,000 for taxable years beginning January 1, 1989, through December 31, 1989;

Five percent on income in excess of \$5,000 but not in excess of \$17,000 for taxable years beginning January 1, 1990;

Five and three-quarters percent on income in excess of \$12,000 for taxable years beginning before January 1, 1987;

Five and three-quarters percent on income in excess of \$14,000 for taxable years beginning January 1, 1987, through December 31, 1987;

Five and three-quarters percent on income in excess of \$15,000 for taxable years beginning January 1, 1988, through December 31, 1988;

Five and three-quarters percent on income in excess of \$16,000 for taxable years beginning January 1, 1989, through December 31, 1989; ~~and~~

Five and three-quarters percent on income in excess of \$17,000 for taxable years beginning on ~~and~~ or after January 1, 1990, *but before January 1, 2004*;

Five and three-quarters percent on income in excess of \$17,000 but not in excess of \$100,000 for taxable years beginning on or after January 1, 2004;

Six and one-quarter percent on income in excess of \$100,000 but not in excess of \$150,000 for taxable years beginning on or after January 1, 2004; and

Six and one-half percent on income in excess of \$150,000 for taxable years beginning on or after January 1, 2004.

§ 58.1-321. Exemptions and exclusions.

A. No tax levied pursuant to § 58.1-320 is imposed, nor any return required to be filed by:

1. A single individual where the Virginia adjusted gross income for such taxable year is less than \$3,000 for taxable years beginning before January 1, 1987; and less than \$5,000 for taxable years beginning on ~~and~~ or after January 1, 1987; *but before January 1, 2004.*

A single individual where the Virginia adjusted gross income plus the modification specified in subdivision D 5 of § 58.1-322 for such taxable year is less than \$5,000 for taxable years beginning on or after January 1, 2004.

2. An individual and spouse if their combined Virginia adjusted gross income for such taxable year is less than ~~\$3,000 for taxable years beginning before January 1, 1987; and less than~~ \$8,000 for taxable years beginning on ~~and~~ or after January 1, 1987 (or one-half of such amount in the case of a married individual filing a separate return) *but before January 1, 2004.*

An individual and spouse if their combined Virginia adjusted gross income plus the modification specified in subdivision D 5 of § 58.1-322 is less than \$8,000 for taxable years beginning on or after January 1, 2004 (or one-half of such amount in the case of a married individual filing a separate return) but before January 1, 2005; and less than \$9,000 for taxable years beginning on or after January 1, 2005 (or one-half of such amount in the case of a married individual filing a separate return).

For the purposes of this section “Virginia adjusted gross income” means federal adjusted gross income for the taxable years with the modifications specified in § 58.1-322 B, § 58.1-322 C and the additional deductions allowed under § 58.1-322 D 2 b and D 5 *for taxable years beginning before January 1, 2004. For taxable years beginning on or after January 1, 2004, Virginia adjusted gross income means federal adjusted gross income with the modifications specified in subsections B and C of § 58.1-322.*

B. Persons in the armed forces of the United States stationed on military or naval reservations within Virginia who are not domiciled in Virginia shall not be held liable to income taxation for compensation received from military or naval service.

§ 58.1-322. Virginia taxable income of residents.

A. The Virginia taxable income of a resident individual means his federal adjusted gross income for the taxable year, which excludes combat pay for certain members of the Armed Forces of the United States as provided in § 112 of the Internal Revenue Code, as amended, and with the modifications specified in this section.

B. To the extent excluded from federal adjusted gross income, there shall be added:

1. Interest, less related expenses to the extent not deducted in determining federal income, on obligations of any state other than Virginia, or of a political subdivision of any such other state unless created by compact or agreement to which Virginia is a party;

2. Interest or dividends, less related expenses to the extent not deducted in determining federal taxable income, on obligations or securities of any authority, commission or instrumentality of the United States, which the laws of the United States exempt from federal income tax but not from state income taxes;

3. Unrelated business taxable income as defined by § 512 of the Internal Revenue Code;

4. The amount of a lump sum distribution from a qualified retirement plan, less the minimum distribution allowance and any amount excludable for federal income tax purposes that is excluded from federal adjusted gross income solely by virtue of an individual's election to use the averaging provisions under § 402 of the Internal Revenue Code; and

5. through 8. [Repealed.]

9. The amount required to be included in income for the purpose of computing the partial tax on an accumulation distribution pursuant to § 667 of the Internal Revenue Code.

C. To the extent included in federal adjusted gross income, there shall be subtracted:

1. Income derived from obligations, or on the sale or exchange of obligations, of the United States and on obligations or securities of any authority, commission or instrumentality of the United States to the extent exempt from state income taxes under the laws of the United States including, but not limited to, stocks, bonds, treasury bills, and treasury notes, but not including interest on refunds of federal taxes, interest on equipment purchase contracts, or interest on other normal business transactions.

2. Income derived from obligations, or on the sale or exchange of obligations of this Commonwealth or of any political subdivision or instrumentality of this Commonwealth.

3. [Repealed.]

4. Benefits received under Title II of the Social Security Act and other benefits subject to federal income taxation solely pursuant to § 86 of the Internal Revenue Code.

4a. Through December 31, 2000, the same amount used in computing the federal credit allowed under § 22 of the Internal Revenue Code by a retiree under age 65 who qualified for such retirement on the basis of permanent and total disability and who is a qualified individual as defined in § 22 (b) (2) of the Internal Revenue Code; however, any person who claims a deduction under subdivision 5 of subsection D of this section may not also claim a subtraction under this subdivision.

4b. For taxable years beginning on or after January 1, 2001, up to \$20,000 of disability income, as defined in § 22 (c) (2) (B) (iii) of the Internal Revenue Code; however, any person who claims a deduction under subdivision 5 of subsection D of this section may not also claim a subtraction under this subdivision.

5. The amount of any refund or credit for overpayment of income taxes imposed by the Commonwealth or any other taxing jurisdiction.

6. The amount of wages or salaries eligible for the federal Targeted Jobs Credit which was not deducted for federal purposes on account of the provisions of § 280C (a) of the Internal Revenue Code.

7, 8. [Repealed.]

9. [Expired.]

10. Any amount included therein less than \$600 from a prize awarded by the State Lottery Department.

11. The wages or salaries received by any person for active and inactive service in the National Guard of the Commonwealth of Virginia, not to exceed the amount of income derived from 39 calendar days of such service or \$3,000, whichever amount is less; however, only those persons in the ranks of O3 and below shall be entitled to the deductions specified herein.

12. Amounts received by an individual, not to exceed \$1,000 in any taxable year, as a reward for information provided to a law-enforcement official or agency, or to a nonprofit corporation created exclusively to assist such law-enforcement official or agency, in the apprehension and conviction of perpetrators of crimes. This provision shall not apply to the following: an individual who is an employee of, or under contract with, a law-enforcement agency, a victim or the perpetrator of the crime for which the reward was paid, or any person who is compensated for the investigation of crimes or accidents.

13. [Repealed.]

14. (Expires for taxable years beginning on and after January 1, 2004) The amount of any qualified agricultural contribution as determined in § 58.1-322.2.

15, 16. [Repealed.]

17. For taxable years beginning on and after January 1, 1995, the amount of “qualified research expenses” or “basic research expenses” eligible for deduction for federal purposes, but which were not deducted, on account of the provisions of § 280C (c) of the Internal Revenue Code and which shall be available to partners, shareholders of S corporations, and members of limited liability companies to the extent and in the same manner as other deductions may pass through to such partners, shareholders, and members.

18. For taxable years beginning on or after January 1, 1995, all military pay and allowances, not otherwise subtracted under this subsection, earned for any month during any part of which such member performed military service in any part of the former Yugoslavia, including the air space above such location or any waters subject to related naval operations, in support of Operation JOINT ENDEAVOR as part of the NATO Peace Keeping Force. Such subtraction shall be available until the taxpayer completes such service.

19. For taxable years beginning on and after January 1, 1996, any income received during the taxable year derived from a qualified pension, profit-sharing, or stock bonus plan as described by § 401 of the Internal Revenue Code, an individual retirement account or annuity established under § 408 of the Internal Revenue Code, a deferred compensation plan as defined by § 457 of the Internal Revenue Code,

or any federal government retirement program, the contributions to which were deductible from the taxpayer's federal adjusted gross income, but only to the extent the contributions to such plan or program were subject to taxation under the income tax in another state.

20. For taxable years beginning on and after January 1, 1997, any income attributable to a distribution of benefits or a refund from a prepaid tuition contract or savings trust account with the Virginia College Savings Plan, created pursuant to Chapter 4.9 (§ 23-38.75 et seq.) of Title 23. The subtraction for any income attributable to a refund shall be limited to income attributable to a refund in the event of a beneficiary's death, disability, or receipt of a scholarship.

21. For taxable years beginning on or after January 1, 1998, all military pay and allowances, to the extent included in federal adjusted gross income and not otherwise subtracted, deducted or exempted under this section, earned by military personnel while serving by order of the President of the United States with the consent of Congress in a combat zone or qualified hazardous duty area which is treated as a combat zone for federal tax purposes pursuant to § 112 of the Internal Revenue Code.

22. For taxable years beginning on or after January 1, 2000, the gain derived from the sale or exchange of real property or the sale or exchange of an easement to real property which results in the real property or the easement thereto being devoted to open-space use, as that term is defined in § 58.1-3230, for a period of time not less than 30 years. To the extent a subtraction is taken in accordance with this subdivision, no tax credit under this chapter for donating land for its preservation shall be allowed for three years following the year in which the subtraction is taken.

23. Effective for all taxable years beginning on or after January 1, 2000, \$15,000 of military basic pay for military service personnel on extended active duty for periods in excess of 90 days; however, the subtraction amount shall be reduced dollar-for-dollar by the amount which the taxpayer's military basic pay exceeds \$15,000 and shall be reduced to zero if such military basic pay amount is equal to or exceeds \$30,000.

24. Effective for all taxable years beginning on and after January 1, 2000, the first \$15,000 of salary for each federal and state employee whose annual salary is \$15,000 or less.

25. Unemployment benefits taxable pursuant to § 85 of the Internal Revenue Code.

26. For taxable years beginning on and after January 1, 2001, any amount received as military retirement income by an individual awarded the Congressional Medal of Honor.

27. Effective for all taxable years beginning on and after January 1, 1999, income received as a result of (i) the "Master Settlement Agreement," as defined in § 3.1-1106; (ii) the National Tobacco Grower Settlement Trust dated July 19, 1999; and (iii) the Tobacco Loss Assistance Program, pursuant to 7 C.F.R. Part 1464 (Subpart C, §§ 1464.201 through 1464.205), by (a) tobacco farmers; (b) any person holding a tobacco marketing quota, or tobacco farm acreage allotment, under the Agricultural Adjustment Act of 1938; or (c) any person having the right to grow tobacco pursuant to such a quota or allotment, but only to the extent that such income has not been subtracted pursuant to subdivision C 18 of § 58.1-402.

28. For taxable years beginning on and after January 1, 2000, items of income attributable to, derived from or in any way related to (i) assets stolen from, hidden from or otherwise lost by an individual who was a victim or target of Nazi persecution or (ii) damages, reparations, or other consideration received by a victim or target of Nazi persecution to compensate such individual for performing labor against his will under the threat of death, during World War II and its prelude and direct aftermath. This subtraction shall not apply to assets acquired with such items of income or with the proceeds from the sale of assets stolen from, hidden from or otherwise lost to, during World War II and its prelude and direct aftermath, a victim or target of Nazi persecution. The provisions of this subdivision shall only apply to an individual who was the first recipient of such items of income and who was a victim or target of Nazi persecution, or a spouse, widow, widower, or child or stepchild of such victim.

"Victim or target of Nazi persecution" means any individual persecuted or targeted for persecution by the Nazi regime who had assets stolen from, hidden from or otherwise lost as a result of any act or omission in any way relating to (i) the Holocaust; (ii) World War II and its prelude and direct aftermath; (iii) transactions with or actions of the Nazi regime; (iv) treatment of refugees fleeing Nazi persecution; or (v) the holding of such assets by entities or persons in the Swiss Confederation during World War II and its prelude and aftermath. A victim or target of Nazi persecution shall also include any individual

forced into labor against his will, under the threat of death, during World War II and its prelude and direct aftermath. As used in this subdivision, "Nazi regime" means the country of Nazi Germany, areas occupied by Nazi Germany, those European countries allied with Nazi Germany, or any other neutral European country or area in Europe under the influence or threat of Nazi invasion.

29. For taxable years beginning on and after January 1, 2002, any gain recognized as a result of the Peanut Quota Buyout Program of the Farm Security and Rural Investment Act of 2002 pursuant to 7 C.F.R. Part 1412 (Subpart H, §§ 1412.801 through 1412.811) as follows:

a. If the payment is received in installment payments pursuant to 7 C.F.R. § 1412.807(a)(2), then the entire gain recognized may be subtracted.

b. If the payment is received in a single payment pursuant to 7 C.F.R. § 1412.807(a)(3), then 20 percent of the recognized gain may be subtracted. The taxpayer may then deduct an equal amount in each of the four succeeding taxable years.

30. Effective for all taxable years beginning on and after January 1, 2002, but before January 1, 2005, the indemnification payments received by contract poultry growers and table egg producers from the U.S. Department of Agriculture as a result of the depopulation of poultry flocks because of low pathogenic avian influenza in 2002. In no event shall indemnification payments made to owners of poultry who contract with poultry growers qualify for this subtraction.

31. Effective for all taxable years beginning on or after January 1, 2001, the military death gratuity payment made after September 11, 2001, to the survivor of deceased military personnel killed in the line of duty, pursuant to Chapter 75 of Title 10 of the United States Code; however, the subtraction amount shall be reduced dollar-for-dollar by the amount that the survivor may exclude from his federal gross income in accordance with § 134 of the Internal Revenue Code.

D. In computing Virginia taxable income there shall be deducted from ~~federal adjusted gross income~~ *Virginia adjusted gross income as defined in § 58.1-321*:

1. a. The amount allowable for itemized deductions for federal income tax purposes where the taxpayer has elected for the taxable year to itemize deductions on his federal return, but reduced by the amount of income taxes imposed by the Commonwealth or any other taxing jurisdiction and deducted on such federal return and increased by an amount which, when added to the amount deducted under § 170 of the Internal Revenue Code for mileage, results in a mileage deduction at the state level for such purposes at a rate of 18 cents per mile; or

b. Two thousand dollars for taxable years beginning January 1, 1987, through December 31, 1987; \$2,700 for taxable years beginning January 1, 1988, through December 31, 1988; ~~and~~ \$5,000 for married persons (one-half of such amounts in the case of a married individual filing a separate return); and \$3,000 for single individuals for taxable years beginning on ~~and~~ or after January 1, 1989, *but before January 1, 2005; and \$7,000 for married persons (one-half of such amounts in the case of a married individual filing a separate return) and \$3,500 for single individuals for taxable years beginning on or after January 1, 2005*; provided that the taxpayer has not itemized deductions for the taxable year on his federal income tax return. For purposes of this section, any person who may be claimed as a dependent on another taxpayer's return for the taxable year may compute the deduction only with respect to earned income.

2. a. A deduction in the amount of \$700 for taxable years beginning January 1, 1987, through December 31, 1987, ~~and~~; \$800 for taxable years beginning on ~~and~~ or after January 1, 1988, *but before January 1, 2005; and \$1,000 for taxable years beginning on or after January 1, 2005*, for each personal exemption allowable to the taxpayer for federal income tax purposes.

b. For taxable years beginning on ~~and~~ or after January 1, 1987, each blind or aged taxpayer as defined under § 63 (f) of the Internal Revenue Code shall be entitled to an additional personal exemption *in the amount of \$800 for the taxable year*.

~~b. An additional deduction of \$200 for taxable years beginning January 1, 1987, through December 31, 1987, for each blind or aged taxpayer as defined under § 63 (f) of the Internal Revenue Code. The additional deduction for blind or aged taxpayers allowed under this subdivision and the additional personal exemption allowed to blind or aged taxpayers under subdivision 2 a of this subsection shall be allowable regardless of whether the taxpayer itemizes deductions for the taxable year for federal income tax purposes.~~

3. A deduction equal to the amount of employment-related expenses upon which the federal credit is based under § 21 of the Internal Revenue Code for expenses for household and dependent care services necessary for gainful employment.

4. An additional \$1,000 deduction for each child residing for the entire taxable year in a home under permanent foster care placement as defined in § 63.2-908, provided the taxpayer can also claim the child as a personal exemption under § 151 of the Internal Revenue Code.

5. Effective for all taxable years beginning on or after January 1, 1996, *but before January 1, 2004*, a deduction in the amount of \$12,000 for taxpayers age 65 or older, or \$6,000 for taxpayers age 62 through 64.

a. The age deduction for all taxable years beginning on or after January 1, 2004, shall be determined in accordance with the following table and as adjusted herein:

<i>Taxable Years</i>	<i>Applicable Deduction</i>
<i>1. Beginning on or after January 1, 2004, but before January 1, 2011</i>	<i>\$12,000 for individuals who are 65 or older in the taxable year</i>
<i>2. Beginning on or after January 1, 2011</i>	<i>\$12,000 for individuals who are at their retirement age or older in the taxable year</i>
<i>3. Beginning on or after January 1, 2004,</i>	<i>\$6,000 for individuals born on or before December 31, 1941, who did not reach the age of 65 in the taxable year</i>

Except as provided in subdivision b, the deductions provided in this table shall be reduced by \$1 for each \$1 by which the taxpayer's modified federal adjusted gross income exceeds \$40,000 for single taxpayers and \$64,000 for married taxpayers.

For married taxpayers filing separately, whether or not on a combined return, with combined modified federal adjusted gross income of both spouses in excess of \$64,000 for the taxable year, the age deduction allowed for each individual spouse shall be reduced by \$1 for each \$2 by which combined modified federal adjusted gross income exceeds \$64,000 pursuant to subdivision 5 b under the following circumstances.

b. 1. There shall be no reduction to the amount of the age deduction for any taxpayer who was at least 65 years old as of December 31, 2003, provided that the taxpayer's modified federal adjusted gross income for the taxable year is not in excess of \$200,000.

There shall be no reduction to the amount of the \$6,000 age deduction available to any taxpayer who was at least 62 but less than 65 years old as of December 31, 2003, provided that the taxpayer's modified federal adjusted gross income for the taxable year is not in excess of \$200,000.

2. If the taxpayer is married, such \$200,000 limitation shall apply to the combined modified federal adjusted gross income of both spouses for the taxable year regardless of whether or not such married taxpayers file separate individual income tax returns or a joint individual income tax return.

c. For the purposes of subdivisions D 5 a and b, "modified federal adjusted gross income" means federal adjusted gross income minus any benefits received under Title II of the Social Security Act and other benefits subject to federal income taxation solely pursuant to § 86 of the Internal Revenue Code, as amended.

For purposes of subdivision D 5 a, "retirement age" means the same as such term is defined under 42 U.S.C. § 416, as may be amended from time to time.

6. For taxable years beginning on and after January 1, 1997, the amount an individual pays as a fee for an initial screening to become a possible bone marrow donor, if (i) the individual is not reimbursed for such fee or (ii) the individual has not claimed a deduction for the payment of such fee on his federal income tax return.

7. a. A deduction shall be allowed to the purchaser or contributor for the amount paid or contributed during the taxable year for a prepaid tuition contract or savings trust account entered into with the Virginia College Savings Plan, pursuant to Chapter 4.9 (§ 23-38.75 et seq.) of Title 23. Except as provided in subdivision 7 c, the amount deducted on any individual income tax return in any taxable year

shall be limited to \$2,000 per prepaid tuition contract or savings trust account. No deduction shall be allowed pursuant to this section if such payments or contributions are deducted on the purchaser's or contributor's federal income tax return. If the purchase price or annual contribution to a savings trust account exceeds \$2,000, the remainder may be carried forward and subtracted in future taxable years until the purchase price or savings trust contribution has been fully deducted; however, except as provided in subdivision 7 c, in no event shall the amount deducted in any taxable year exceed \$2,000 per contract or savings trust account. Notwithstanding the statute of limitations on assessments contained in § 58.1-312, any deduction taken hereunder shall be subject to recapture in the taxable year or years in which distributions or refunds are made for any reason other than (i) to pay qualified higher education expenses, as defined in § 529 of the Internal Revenue Code or (ii) the beneficiary's death, disability, or receipt of a scholarship. For the purposes of this subdivision, the term "purchaser" or "contributor" means the person shown as such on the records of the Virginia College Savings Plan as of December 31 of the taxable year. In the case of a transfer of ownership of a prepaid tuition contract or savings trust account, the transferee shall succeed to the transferor's tax attributes associated with a prepaid tuition contract or savings trust account, including, but not limited to, carryover and recapture of deductions.

b. The amount paid for a prepaid tuition contract during taxable years beginning on or after January 1, 1996, but before January 1, 1998, shall be deducted in taxable years beginning on or after January 1, 1998, and shall be subject to the limitations set out in subdivision 7 a.

c. A purchaser of a prepaid tuition contract or contributor to a savings trust account who has attained age 70 shall not be subject to the limitation that the amount of the deduction not exceed \$2,000 per prepaid tuition contract or savings trust account in any taxable year. Such taxpayer shall be allowed a deduction for the full amount paid for the contract or contributed to a savings trust account, less any amounts previously deducted. If a prepaid tuition contract was purchased by such taxpayer during taxable years beginning on or after January 1, 1996, but before January 1, 1998, such taxpayer may take the deduction for the full amount paid during such years, less any amounts previously deducted with respect to such payments, in taxable year 1999 or by filing an amended return for taxable year 1998.

8. For taxable years beginning on and after January 1, 2000, the total amount an individual actually contributed in funds to the Virginia Public School Construction Grants Program and Fund, established in Chapter 11.1 (§ 22.1-175.1 et seq.) of Title 22.1, provided the individual has not claimed a deduction for such amount on his federal income tax return.

9. For taxable years beginning on and after January 1, 1999, an amount equal to 20 percent of the tuition costs incurred by an individual employed as a primary or secondary school teacher licensed pursuant to Chapter 15 (§ 22.1-289.1 et seq.) of Title 22.1 to attend continuing teacher education courses that are required as a condition of employment; however, the deduction provided by this subsection shall be available only if (i) the individual is not reimbursed for such tuition costs and (ii) the individual has not claimed a deduction for the payment of such tuition costs on his federal income tax return.

10. For taxable years beginning on and after January 1, 2000, the amount an individual pays annually in premiums for long-term health care insurance, provided the individual has not claimed a deduction for federal income tax purposes.

E. There shall be added to or subtracted from federal adjusted gross income, as the case may be, the individual's share, as beneficiary of an estate or trust, of the Virginia fiduciary adjustment determined under § 58.1-361.

F. There shall be added or subtracted, as the case may be, the amounts provided in § 58.1-315 as transitional modifications.

§ 58.1-324. Husband and wife.

For purposes of this section:

"Family Virginia taxable income" means, for the relevant taxable year, the combined Virginia taxable income of a husband and wife who are not legally separated.

A. If the federal taxable income of husband or wife is determined on a separate federal return, their Virginia taxable incomes shall be separately determined, *if family Virginia taxable income is less than or equal to \$100,000.*

B. If family Virginia taxable income exceeds \$100,000 for the taxable year, the individual income tax shall be calculated on the family Virginia taxable income, and each spouse shall be jointly and severally liable for such tax except as provided in subdivision B 2.

1. In cases where both spouses have earned income as such term is defined in § 58.1-302, a two-earner adjustment shall be applied to reduce the calculated tax liability on the following basis:

<i>If taxable income is:</i>	<i>The deduction shall equal:</i>
<i>In excess of \$100,000 but not in excess of \$125,000</i>	<i>4.5 percent two-earner credit</i>
<i>In excess of \$125,000 but not in excess of \$150,000</i>	<i>4 percent two-earner credit</i>
<i>In excess of \$150,000 but not in excess of \$200,000</i>	<i>3 percent two-earner credit</i>
<i>In excess of \$200,000 but not in excess of \$300,000</i>	<i>2 percent two-earner credit</i>
<i>In excess of \$300,000</i>	<i>1 percent two-earner credit, not to exceed a maximum credit of \$1,132</i>

2. In cases where family Virginia taxable income exceeds \$100,000 for the taxable year and separate income tax returns are filed, each spouse shall be severally liable for the tax calculated on family Virginia taxable income on a pro rata basis. Each spouse's individual income tax liability shall be that portion of the income tax on family Virginia taxable income as the spouse's Virginia taxable income for the taxable year bears to the combined Virginia taxable income of both spouses for the taxable year.

BC. If the federal taxable income of husband and wife is determined on a joint federal return, or if neither files a federal return:

1. Their tax shall be determined on their joint Virginia taxable income; or
2. Separate taxes may be determined on their separate Virginia taxable incomes if they so elect, *and the family Virginia taxable income is less than or equal to \$100,000.*

CD. Where husband and wife have not separately reported and claimed items of income, exemptions and deductions for federal income tax purposes, and have not elected to file a joint Virginia income tax return, such items allowable for Virginia income tax purposes shall be allocated and adjusted as follows:

1. Income shall be allocated to the spouse who earned the income or with respect to whose property the income is attributable.
2. Allowable deductions with respect to trade, business, production of income, or employment shall be allocated to the spouse to whom attributable.
3. Nonbusiness deductions, where properly taken for federal income tax purposes, shall be allowable for Virginia income tax purposes, but shall be allocable between husband and wife as they may mutually agree. For this purpose, "nonbusiness deductions" consist of allowable deductions not described in subdivision 2 of this subsection.
4. Where the standard deduction or low income allowance is properly taken pursuant to subdivision D 1 a of § 58.1-322 such deduction or allowance shall be allocable between husband and wife as they may mutually agree.

5. Personal exemptions properly allowable for federal income tax purposes shall be allocated for Virginia income tax purposes as husband and wife may mutually agree; however, exemptions for taxpayer and spouse together with exemptions for old age and blindness must be allocated respectively to the spouse to whom they relate.

DE. Where allocations are permitted to be made under subsection ~~C~~D pursuant to agreement between husband and wife, and husband and wife have failed to agree as to those allocations, such allocations shall be made between husband and wife in a manner corresponding to the treatment for federal income tax purposes of the items involved, under regulations prescribed by the Department of Taxation.

§ 58.1-339.8. Income tax credit for low-income taxpayers.

A. As used in this section, unless the context requires otherwise:

“Family Virginia adjusted gross income” means the combined Virginia adjusted gross income of an individual, the individual’s spouse, and any person claimed as a dependent on the individual’s or his spouse’s income tax return for the taxable year.

“Poverty guidelines” means the poverty guidelines for the ~~forty-eight~~⁴⁸ contiguous states and the District of Columbia updated annually in the Federal Register by the U.S. Department of Health and Human Services under the authority of § 673 (2) of the Omnibus Budget Reconciliation Act of 1981.

“Virginia adjusted gross income” has the same meaning as the term is defined in § 58.1-321.

B. 1. For taxable years beginning on and after January 1, 2000, any individual or persons filing a joint return whose family Virginia adjusted gross income does not exceed ~~one hundred~~¹⁰⁰ percent of the poverty guideline amount corresponding to a household of an equal number of persons as listed in the poverty guidelines published during such taxable year, shall be allowed a credit against the tax levied pursuant to § 58.1-320 in an amount equal to \$300 each for the individual, the individual’s spouse, and any person claimed as a dependent on the individual’s or married persons’ income tax return for the taxable year. For any taxable year in which a husband and wife file separate Virginia income tax returns, the credit provided under this section shall be allowed against the tax for only one of such two tax returns. Additionally, the credit provided under this section shall not be allowed against such tax of a dependent of the individual or of married persons.

2. *For taxable years beginning on or after January 1, 2005, any individual or married persons, eligible for a tax credit pursuant to § 32 of the Internal Revenue Code, may for the taxable year, in lieu of the credit authorized under subdivision B 1, claim a credit against the tax imposed pursuant to § 58.1-320 in an amount equal to 20 percent of the credit claimed by the individual or married persons for federal individual income taxes pursuant to § 32 of the Internal Revenue Code for the taxable year. In no case shall a household be allowed a credit pursuant to this subdivision and subdivision B 1 for the same taxable year.*

For purpose of this subdivision, “household” means an individual and in the case of married persons, the individual and his spouse regardless of whether or not the individual and his spouse file combined or separate Virginia individual income tax returns.

C. The amount of the credit provided pursuant to ~~this section~~^{subsection B} for any taxable year shall not exceed the individual’s or married persons’ Virginia income tax liability.

D. Notwithstanding any other provision of this section, ~~such~~^{no} credit shall ~~not~~ be allowed pursuant to ~~subsection B~~ in any taxable year in which the individual, the individual’s spouse, or both, or any person claimed as a dependent on such individual’s or married persons’ income tax return, claims one or any combination of the following on his or their income tax return for such taxable year:

1. The subtraction under subdivision C 11 of § 58.1-322;
2. The subtraction under subdivision C 23 of § 58.1-322;
3. The subtraction under subdivision C 24 of § 58.1-322;
4. The deduction for the additional personal exemption for blind or aged taxpayers under subdivision D 2 ~~a-b~~ of § 58.1-322; or
5. The deduction under subdivision D 5 of § 58.1-322.

§ 58.1-341. Returns of individuals.

A. On or before May 1 of each year if an individual’s taxable year is the calendar year, or on or before the fifteenth day of the fourth month following the close of a taxable year other than the calendar year, an income tax return under this chapter shall be made and filed by or for:

1. Every resident individual, except as provided in § 58.1-321, required to file a federal income tax return for the taxable year, or having Virginia taxable income for the taxable year;
2. Every nonresident individual having Virginia taxable income for the taxable year, except as provided in § 58.1-321.

B. If the federal income tax liability of husband or wife is determined on a separate federal return, their Virginia income tax liabilities and returns shall be separate *except as provided under § 58.1-324*. If

the federal income tax liabilities of husband and wife (other than a husband and wife described in subdivision 2 of subsection A) are determined on a joint federal return, or if neither files a federal return:

1. They shall file a joint Virginia income tax return, and their tax liabilities shall be joint and several; or

2. They may elect to file separate Virginia income tax returns if they comply with the requirements of the Department in setting forth information (whether or not on a single form), in which event their tax liabilities shall be separate, *except as provided under § 58.1-324* or unless such husband and wife file separately on a combined return. The election permitted under this subsection may be made or changed at any time within three years from the last day prescribed by law for the timely filing of the return.

C. If either husband or wife is a resident and the other is a nonresident, they shall file separate Virginia income tax returns on such single or separate forms as may be required by the Department, in which event their tax liabilities shall be separate except as provided in subsection D, unless both elect to determine their joint Virginia taxable income as if both were residents, in which event their tax liabilities shall be joint and several.

D. If husband and wife file separate Virginia income tax returns on a single form pursuant to subsection B or C, and:

1. If the sum of the payments by either spouse, including withheld and estimated taxes, exceeds the amount of the tax for which such spouse is separately liable, the excess may be applied by the Department to the credit of the other spouse if the sum of the payments by such other spouse, including withheld and estimated taxes, is less than the amount of the tax for which such other spouse is separately liable;

2. If the sum of the payments made by both spouses with respect to the taxes for which they are separately liable, including withheld and estimated taxes, exceeds the total of the taxes due, refund of the excess may be made payable to both spouses.

The provisions of this subsection shall not apply if the return of either spouse includes a demand that any overpayment made by him or her shall be applied only on account of his or her separate liability.

E. The return for any deceased individual shall be made and filed by his executor, administrator, or other person charged with his property.

F. The return for an individual who is unable to make a return by reason of minority or other disability shall be made and filed by his guardian, committee, fiduciary or other person charged with the care of his person or property (other than a receiver in possession of only a part of his property), or by his duly authorized agent.

§ 58.1-390.1. Definitions.

The following words and terms, when used in this article, shall have the following meanings unless the context clearly indicates otherwise:

“Pass-through entity” means any entity, including a limited partnership, a limited liability partnership, a general partnership, a limited liability company, a professional limited liability company, a business trust or a Subchapter S corporation, that is recognized as a separate entity for federal income tax purposes, in which the partners, members or shareholders report their share of the income, gains, losses, deductions and credits from the entity on their federal income tax returns.

“Owner” means any individual or entity who is treated as a partner, member, or shareholder of a pass-through entity for federal income tax purposes.

§ 58.1-390.2. Taxation of pass-through entities.

Except as provided for in this article, owners of pass-through entities shall be liable for tax under this chapter only in their separate or individual capacities.

§ 58.1-391. Virginia taxable income of owners of a pass-through entity.

A. In determining Virginia taxable income of ~~a partner~~ *an owner of a pass-through entity*, any modification described in § 58.1-322 ~~which that~~ *relates to an item of partnership pass-through entity income, gain, loss or deduction shall be made in accordance with the partner's owner's distributive share, for federal income tax purposes, of the item to which the modification relates. Where a partner's an owner's distributive share of any such item is not included in any category of income, gain, loss or deduction required to be taken into account separately for federal income tax purposes, the*

partner's owner's distributive share of such item shall be determined in accordance with his distributive share, for federal income tax purposes, of partnership pass-through entity taxable income or loss.

B. Each item of partnership pass-through entity income, gain, loss or deduction shall have the same character for a partner an owner under this chapter as for federal income tax purposes. Where an item is not characterized for federal income tax purposes, it shall have the same character for a partner an owner as if realized directly from the source from which realized by the partnership pass-through entity or incurred in the same manner by the partnership pass-through entity.

C. Where a partner's an owner's distributive shares of an item of partnership pass-through entity income, gain, loss or deduction is determined for federal income tax purposes by special provision in the partnership pass-through entity agreement with respect to such item, and where the principal purpose of such provision is the avoidance or evasion of tax under this chapter, the partner's owner's distributive share of such item, and any modification required with respect thereto, shall be determined as if the partnership pass-through entity agreement made no special provision with respect to such item.

§ 58.1-392. Reports by pass-through entities.

~~No report shall be required to be filed with the Department of Taxation by any partnership organized under the laws of the Commonwealth or having income from Virginia sources. However, the Tax Commissioner shall have the authority to promulgate regulations requiring that partnerships furnish copies of federal partnership returns and attached schedules or any other information which he deems necessary. In promulgating such regulations, the Tax Commissioner may prescribe the imposition of a penalty in the amount of \$100 for failure to comply, within a reasonable time, to the request for information as set forth therein.~~

A. *Every pass-through entity doing business in Virginia, or having income from Virginia sources, shall make a return to the Department of Taxation on or before the fifteenth day of the fourth month following the close of its taxable year. Such returns shall be made and filed in the manner prescribed by the Department.*

B. *The return of a pass-through entity shall be signed by any one of the owners. An owner's name signed on the return shall be prima facie evidence that such owner is authorized to sign the return on behalf of the pass-through entity.*

C. *The Tax Commissioner may establish an income threshold for the filing of returns by pass-through entities and their owners. Pass-through entities and owners with income below this threshold shall not be required to file a return.*

D. *Receivers, trustees in dissolution, trustees in bankruptcy, and assignees operating the property or business of pass-through entities must make and file returns of income for such pass-through entities. If a receiver has full custody of and control over the business or property of a pass-through entity, he shall be deemed to be operating such business or property, whether he is engaged in carrying on the business for which the pass-through entity was organized or only in marshaling, selling, or disposing of its assets for purposes of liquidation.*

E. *Pass-through entities may be required to file the return using an electronic medium prescribed by the Tax Commissioner. The Tax Commissioner shall establish a minimum number of owners for the electronic filing requirement. Waivers shall be granted only if the Tax Commissioner finds that the requirement creates an unreasonable burden on the pass-through entity. All requests for waivers must be submitted to the Tax Commissioner in writing. Pass-through entities that have fewer than the established minimum number of owners may, at such pass-through entity's option, file such annual return on such prescribed electronic medium in lieu of filing the annual return on paper.*

§ 58.1-393.1. Extension of time for filing return by pass-through entity.

A. *Whenever any pass-through entity has been allowed or granted an extension of time within which to file any federal report of its income for any taxable year, the due date for the filing of the report or return required by this article shall be extended to the date six months after such due date, or 30 days after the extended date for filing the federal report, whichever is later.*

B. *In addition, the Department may grant an extension or extensions of time not to exceed a maximum of six months beyond the due date required by this article for filing such pass-through entity return.*

§ 58.1-394.1. Failure of pass-through entity to make a return.

A. Any pass-through entity that fails to file a return required by this article within the time required shall be liable for a penalty of \$200 if the failure is for not more than one month, with an additional \$200 for each additional month or fraction thereof during which such failure to file continues, not exceeding six months in the aggregate. In no case, however, shall the penalty be less than \$200.

B. If any pass-through entity's failure to file a return required by this article exceeds six months, the Department shall assess a penalty of six percent of the total amount of Virginia taxable income derived by its owners from the pass-through entity for the taxable year. The Department may determine such penalty from any information in its possession. The penalty assessed pursuant to this subsection shall be reduced by the penalty assessed pursuant to subsection A and any tax paid by the owners on their share of income from the pass-through entity for the taxable year.

C. The penalties set forth in this subsection shall be assessed and collected by the Department in the manner provided for the assessment and collection of taxes under this chapter or in a civil action, at the instance of the Department. In addition, such pass-through entity shall be compellable by mandamus to file such return.

§ 58.1-394.2. Fraudulent returns, etc., of pass-through entities; penalty.

A. Any officer or owner of any pass-through entity who makes a fraudulent return or statement with the intent of assisting or facilitating the evasion of the payment of the taxes prescribed by this chapter by the pass-through entity or an owner shall be liable for a penalty of not more than \$1,000, to be assessed and collected in the manner provided for the assessment and collection of taxes under this chapter or in a civil action, at the instance of the Department.

B. In addition to other penalties provided by law, any officer or owner of a pass-through entity who makes a fraudulent return or statement with the intent of assisting or facilitating the evasion of the payment of the taxes prescribed by this chapter by the pass-through entity or an owner, or who willfully fails or refuses to make a return required by this chapter at the time or times required by law shall be guilty of a Class 1 misdemeanor. A prosecution under this section shall be commenced within five years next after the commission of the offense.

§ 58.1-395. Nonresident owners.

Pass-through entities may make written application to the Tax Commissioner for permission to file a statement of combined pass-through entity income attributable to nonresident owners and thereby relieve nonresident owners from filing individual nonresident returns. The application must state the reasons for seeking such permission. The Tax Commissioner, in his sole discretion, may, for good cause, grant permission to file a combined nonresident return upon such terms as he may determine.

§ 58.1-402. Virginia taxable income.

A. For purposes of this article, Virginia taxable income for a taxable year means the federal taxable income and any other income taxable to the corporation under federal law for such year of a corporation adjusted as provided in subsections B, C and D.

For a regulated investment company and a real estate investment trust, such term means the "investment company taxable income" and "real estate investment trust taxable income," respectively, to which shall be added in each case any amount of capital gains and any other income taxable to the corporation under federal law which shall be further adjusted as provided in subsections B, C and D.

B. There shall be added to the extent excluded from federal taxable income:

1. Interest, less related expenses to the extent not deducted in determining federal taxable income, on obligations of any state other than Virginia, or of a political subdivision of any such other state unless created by compact or agreement to which the Commonwealth is a party;

2. Interest or dividends, less related expenses to the extent not deducted in determining federal taxable income, on obligations or securities of any authority, commission or instrumentality of the United States, which the laws of the United States exempt from federal income tax but not from state income taxes;

3. [Repealed.]

4. The amount of any net income taxes and other taxes, including franchise and excise taxes, which are based on, measured by, or computed with reference to net income, imposed by the Commonwealth or any other taxing jurisdiction, to the extent deducted in determining federal taxable income;

5. Unrelated business taxable income as defined by § 512 of the Internal Revenue Code;

6. The amount of employee stock ownership credit carry-over deducted by the corporation in computing federal taxable income under § 404 (i) of the Internal Revenue Code;

7. The amount required to be included in income for the purpose of computing the partial tax on an accumulation distribution pursuant to § 667 of the Internal Revenue Code.

8. *a. For taxable years beginning on or after January 1, 2004, the amount of any interest expenses and costs and intangible expenses and costs directly or indirectly paid, accrued, or incurred to, or in connection directly or indirectly with one or more direct or indirect transactions with one or more related members to the extent such expenses and costs were deductible or deducted in computing federal taxable income for Virginia purposes. This addition shall not be required for any portion of the interest expenses and costs and intangible expenses and costs if one of the following applies:*

1. The corresponding item of income received by the related member is subject to a tax based on or measured by net income imposed by Virginia, another state, or a foreign government that has entered into a comprehensive tax treaty with the United States government, or

2. The corporation can establish to the satisfaction of the Tax Commissioner that the interest expenses and costs and intangible expenses and costs meet both of the following: (i) the related member during the same taxable year directly or indirectly paid, accrued or incurred such portion to a person who is not a related member; and (ii) the transaction giving rise to the interest expenses and costs or the intangible expenses and costs between the corporation and the related member did not have as a principal purpose the avoidance of any portion of the tax due under this chapter.

b. Nothing in this subdivision shall be construed to limit or negate the Department's authority under § 58.1-446.

C. There shall be subtracted to the extent included in and not otherwise subtracted from federal taxable income:

1. Income derived from obligations, or on the sale or exchange of obligations, of the United States and on obligations or securities of any authority, commission or instrumentality of the United States to the extent exempt from state income taxes under the laws of the United States including, but not limited to, stocks, bonds, treasury bills, and treasury notes, but not including interest on refunds of federal taxes, interest on equipment purchase contracts, or interest on other normal business transactions.

2. Income derived from obligations, or on the sale or exchange of obligations of this Commonwealth or of any political subdivision or instrumentality of this Commonwealth.

3. Dividends upon stock in any domestic international sales corporation, as defined by § 992 of the Internal Revenue Code, 50 percent or more of the income of which was assessable for the preceding year, or the last year in which such corporation has income, under the provisions of the income tax laws of the Commonwealth.

4. The amount of any refund or credit for overpayment of income taxes imposed by this Commonwealth or any other taxing jurisdiction.

5. Any amount included therein by the operation of the provisions of § 78 of the Internal Revenue Code (foreign dividend gross-up).

6. The amount of wages or salaries eligible for the federal Targeted Jobs Credit which was not deducted for federal purposes on account of the provisions of § 280C (a) of the Internal Revenue Code.

7. Any amount included therein by the operation of § 951 of the Internal Revenue Code (subpart F income).

8. Any amount included therein which is foreign source income as defined in § 58.1-302.

9. [Repealed.]

10. The amount of any dividends received from corporations in which the taxpaying corporation owns 50 percent or more of the voting stock.

11. [Repealed.]

12. [Expired.]

13. (Expires for taxable years beginning on and after January 1, 2004) The amount of any qualified agricultural contribution as determined in § 58.1-322.2.

14. For taxable years beginning on or after January 1, 1995, the amount for “qualified research expenses” or “basic research expenses” eligible for deduction for federal purposes, but which were not deducted, on account of the provisions of § 280C (c) of the Internal Revenue Code.

15. For taxable years beginning on or after January 1, 2000, the total amount actually contributed in funds to the Virginia Public School Construction Grants Program and Fund established in Chapter 11.1 (§ 22.1-175.1 et seq.) of Title 22.1.

16. For taxable years beginning on or after January 1, 2000, the gain derived from the sale or exchange of real property or the sale or exchange of an easement to real property which results in the real property or the easement thereto being devoted to open-space use, as that term is defined in § 58.1-3230, for a period of time not less than 30 years. To the extent a subtraction is taken in accordance with this subdivision, no tax credit under this chapter for donating land for its preservation shall be allowed for three years following the year in which the subtraction is taken.

17. For taxable years beginning on and after January 1, 2001, any amount included therein with respect to § 58.1-440.1.

18. For taxable years beginning on and after January 1, 1999, income received as a result of (i) the “Master Settlement Agreement,” as defined in § 3.1-1106; (ii) the National Tobacco Grower Settlement Trust dated July 19, 1999; and (iii) the Tobacco Loss Assistance Program, pursuant to 7 C.F.R. Part 1464 (Subpart C, §§ 1464.201 through 1464.205), by (a) tobacco farming businesses; (b) any business holding a tobacco marketing quota, or tobacco farm acreage allotment, under the Agricultural Adjustment Act of 1938; or (c) any business having the right to grow tobacco pursuant to such a quota allotment.

19. Effective for all taxable years beginning on and after January 1, 2002, but before January 1, 2005, the indemnification payments received by contract poultry growers and table egg producers from the U.S. Department of Agriculture as a result of the depopulation of poultry flocks because of low pathogenic avian influenza in 2002. In no event shall indemnification payments made to owners of poultry who contract with poultry growers qualify for this subtraction.

20. For taxable years beginning on and after January 1, 2002, any gain recognized as a result of the Peanut Quota Buyout Program of the Farm Security and Rural Investment Act of 2002 pursuant to 7 C.F.R. Part 1412 (Subpart H, §§ 1412.801 through 1412.811) as follows:

a. If the payment is received in installment payments pursuant to 7 C.F.R. § 1412.807(a)(2), then the entire gain recognized may be subtracted.

b. If the payment is received in a single payment pursuant to 7 C.F.R. § 1412.807(a)(3), then 20 percent of the recognized gain may be subtracted. The taxpayer may then deduct an equal amount in each of the four succeeding taxable years.

D. Adjustments to federal taxable income shall be made to reflect the transitional modifications provided in § 58.1-315.

§ 58.1-415. When sales of tangible personal property deemed in the Commonwealth.

Sales of tangible personal property are in the Commonwealth if (i) such property is received in the Commonwealth by the purchaser, or (ii) *the property is shipped from an office, store, warehouse, factory, or place of storage in the Commonwealth; and the taxpayer is not taxable in the state of the purchaser.* In the case of delivery by common carrier or other means of transportation, the place at which such property is ultimately received after all transportation has been completed shall be considered as the place at which such property is received by the purchaser. Direct delivery in the Commonwealth, other than for purposes of transportation, to a person or firm designated by a purchaser, constitutes delivery to the purchaser in the Commonwealth, and direct delivery outside the Commonwealth to a person or firm designated by the purchaser does not constitute delivery to the purchaser in the Commonwealth, regardless of where title passes, or other conditions of sale.

§ 58.1-441. Reports by corporations.

A. Every corporation organized under the laws of the Commonwealth, or having income from Virginia sources, *other than a Subchapter S corporation subject to the return filing requirements of § 58.1-392,* shall make a report to the Department on or before the fifteenth day of the fourth month

following the close of its taxable year. Such reports shall be made on forms prescribed by the Department and shall contain such information, including the gross receipts from any business carried on in the Commonwealth and a depreciation schedule of property used in such trade or business, as may be necessary for the proper enforcement of this chapter and be accompanied by a copy of any federal tax return or report filed for such taxable year. The Department shall not require any nonprofit organization created exclusively to assist a law-enforcement official or agency in apprehending and convicting perpetrators of crimes, to report on such returns, or otherwise, the names of individuals or amounts paid to such individuals by the organization for providing information about certain crimes.

Receivers, trustees in dissolution, trustees in bankruptcy, and assignees, operating the property or business of corporations must make returns of income for such corporations. If a receiver has full custody of and control over the business or property of a corporation, he shall be deemed to be operating such business or property, whether he is engaged in carrying on the business for which the corporation was organized or only in marshaling, selling, or disposing of its assets for purposes of liquidation.

B. Notwithstanding the provisions of subsection A, every organization to whom subdivision 5 of § 58.1-401 applies, and having unrelated business taxable income or other taxable income, shall make a report to the Department on or before the fifteenth day of the sixth month following the close of the organization's taxable year.

§ 58.1-520. Definitions.

As used in this article:

"Claimant agency" means any administrative unit of state, county, city or town government, including department, institution, commission, authority, or the office of Executive Secretary of the Supreme Court, any circuit or district court and the Internal Revenue Service. All state agencies and institutions shall participate in the setoff program.

"Debtor" means any individual having a delinquent debt or account with any claimant agency which obligation has not been satisfied by court order, set aside by court order, or discharged in bankruptcy.

"Delinquent debt" means any liquidated sum due and owing any claimant agency, or any restitution ordered paid to a clerk of the court pursuant to Title 19.2, including any amount of court costs or fines which have accrued through contract, subrogation, tort, operation of law, or any other legal theory regardless of whether there is an outstanding judgment for that sum which is legally collectible and for which a collection effort has been or is being made.

"Mailing date of notice" means the date of notice appearing thereon.

"Refund" means any individual's Virginia state or local income tax refund payable pursuant to §§ 58.1-309 and 58.1-546. This term also includes any refund belonging to a debtor resulting from the filing of a joint income tax return or a refund belonging to a debtor resulting from the filing of a return where husband and wife have elected to file a combined return and separately state their Virginia taxable incomes under the provisions of ~~§ 58.1-324 B-2~~ subdivision C 2 of § 58.1-324.

§ 58.1-603. Imposition of sales tax.

There is hereby levied and imposed, in addition to all other taxes and fees of every kind now imposed by law, a license or privilege tax upon every person who engages in the business of selling at retail or distributing tangible personal property in this Commonwealth, or who rents or furnishes any of the things or services taxable under this chapter, or who stores for use or consumption in this Commonwealth any item or article of tangible personal property as defined in this chapter, or who leases or rents such property within this Commonwealth, in the amount of ~~three~~ four and one-half percent:

1. Of the gross sales price of each item or article of tangible personal property when sold at retail or distributed in this Commonwealth.

2. Of the gross proceeds derived from the lease or rental of tangible personal property, where the lease or rental of such property is an established business, or part of an established business, or the same is incidental or germane to such business.

3. Of the cost price of each item or article of tangible personal property stored in this Commonwealth for use or consumption in this Commonwealth.

4. Of the gross proceeds derived from the sale or charges for rooms, lodgings or accommodations furnished to transients as set out in the definition of "retail sale" in § 58.1-602.

5. Of the gross sales of any services which are expressly stated as taxable within this chapter.

§ 58.1-604. Imposition of use tax.

There is hereby levied and imposed, in addition to all other taxes and fees now imposed by law, a tax upon the use or consumption of tangible personal property in this Commonwealth, or the storage of such property outside the Commonwealth for use or consumption in this Commonwealth, in the amount of ~~three-four~~ and one-half percent:

1. Of the cost price of each item or article of tangible personal property used or consumed in this Commonwealth. Tangible personal property which has been acquired for use outside this Commonwealth and subsequently becomes subject to the tax imposed hereunder shall be taxed on the basis of its cost price if such property is brought within this Commonwealth for use within six months of its acquisition; but if so brought within this Commonwealth six months or more after its acquisition, such property shall be taxed on the basis of the current market value (but not in excess of its cost price) of such property at the time of its first use within this Commonwealth. Such tax shall be based on such proportion of the cost price or current market value as the duration of time of use within this Commonwealth bears to the total useful life of such property (but it shall be presumed in all cases that such property will remain within this Commonwealth for the remainder of its useful life unless convincing evidence is provided to the contrary).

2. Of the cost price of each item or article of tangible personal property stored outside this Commonwealth for use or consumption in this Commonwealth.

3. A transaction taxed under § 58.1-603 shall not also be taxed under this section, nor shall the same transaction be taxed more than once under either section.

4. The use tax shall not apply with respect to the use of any article of tangible personal property brought into this Commonwealth by a nonresident individual, visiting in Virginia, for his personal use, while within this Commonwealth.

5. The use tax shall not apply to out-of-state mail order catalog purchases totaling \$100 or less during any calendar year.

§ 58.1-604.1. Use tax on motor vehicles, machinery, tools and equipment brought into Virginia for use in performing contracts.

In addition to the use tax levied pursuant to § 58.1-604 and notwithstanding the provisions of § 58.1-611, a use tax is levied upon the storage or use of all motor vehicles, machines, machinery, tools or other equipment brought, imported or caused to be brought into this Commonwealth for use in constructing, building or repairing any building, highway, street, sidewalk, bridge, culvert, sewer or water system, drainage or dredging system, railway system, reservoir or dam, hydraulic or power plant, transmission line, tower, dock, wharf, excavation, grading, or other improvement or structure, or any part thereof. The rate of tax is ~~three-four~~ and one-half percent on all tangible personal property except motor vehicles, which shall be taxed at the rate of ~~three-four and one-half~~ percent; aircraft, which shall be taxed at the rate of two percent; and watercraft, which shall be taxed at the rate of two percent with a maximum tax of \$1,000.

For purposes of this section the words "motor vehicle" means any vehicle which is self-propelled and designed primarily for use upon the highways, any vehicle which is propelled by electric power obtained from trolley wires but not operated upon rails, and any vehicle designed to run upon the highways which is pulled by a self-propelled vehicle, but shall not include any implement of husbandry, farm tractor, road construction or maintenance machinery or equipment, special mobile equipment or any vehicle designed primarily for use in work off the highway.

The tax shall be computed on the basis of such proportion of the original purchase price of such property as the duration of time of use in this Commonwealth bears to the total useful life thereof. For purposes of this section, the word "use" means use, storage, consumption and "stand-by" time occasioned by weather conditions, controversies or other causes. The tax shall be computed upon the basis of the relative time each item of equipment is in this Commonwealth rather than upon the basis of actual use. In the absence of satisfactory evidence as to the period of use intended in this Commonwealth, it will be presumed that such property will remain in this Commonwealth for the remainder of its useful life, which

shall be determined in accordance with the experiences and practices of the building and construction trades.

A transaction taxed under §§ 58.1-604, 58.1-605, 58.1-1402, 58.1-1502, or § 58.1-2402 shall not also be taxed under this section, nor shall the same transaction be taxed more than once under any section.

§ 58.1-608.3. Entitlement to certain sales tax revenues.

A. As used in this section, the following words and terms have the following meanings, unless some other meaning is plainly intended:

“Bonds” means any obligations of a municipality for the payment of money.

“Cost,” as applied to any public facility or to extensions or additions to any public facility, includes: (i) the purchase price of any public facility acquired by the municipality or the cost of acquiring all of the capital stock of the corporation owning the public facility and the amount to be paid to discharge any obligations in order to vest title to the public facility or any part of it in the municipality; (ii) expenses incident to determining the feasibility or practicability of the public facility; (iii) the cost of plans and specifications, surveys and estimates of costs and of revenues; (iv) the cost of all land, property, rights, easements and franchises acquired; (v) the cost of improvements, property or equipment; (vi) the cost of engineering, legal and other professional services; (vii) the cost of construction or reconstruction; (viii) the cost of all labor, materials, machinery and equipment; (ix) financing charges; (x) interest before and during construction and for up to one year after completion of construction; (xi) start-up costs and operating capital; (xii) payments by a municipality of its share of the cost of any multi-jurisdictional public facility; (xiii) administrative expense; (xiv) any amounts to be deposited to reserve or replacement funds; and (xv) other expenses as may be necessary or incident to the financing of the public facility. Any obligation or expense incurred by the public facility in connection with any of the foregoing items of cost may be regarded as a part of the cost.

“Municipality” means any county, city, town, authority, commission, or other public entity.

“Public facility” means (i) any auditorium, coliseum, convention center, or conference center, which is owned by a Virginia county, city, town, authority, or other public entity and where exhibits, meetings, conferences, conventions, seminars, or similar public events may be conducted; (ii) any hotel which is owned by a foundation whose sole purpose is to benefit a state-supported university and which is attached to and is an integral part of such facility, together with any lands reasonably necessary for the conduct of the operation of such events; or (iii) any hotel which is attached to and is an integral part of such facility. However, such public facility must be located in a city with a population of at least 24,200 but no more than 24,500 as determined by the 1990 United States Census, at least 50,000 but no more than 52,500, at least 95,000 but no more than 105,000, or at least 130,000 but no more than 135,000. Any property, real, personal, or mixed, which is necessary or desirable in connection with any such auditorium, coliseum, convention center, or conference center, including, without limitation, facilities for food preparation and serving, parking facilities, and administration offices, is encompassed within this definition. However, structures commonly referred to as “shopping centers” or “malls” shall not constitute a public facility hereunder. In addition, only a new public facility, or a public facility which will undergo a substantial and significant renovation or expansion, shall be eligible under subsection B of this section. A new public facility is one whose construction began after December 31, 1991. A substantial and significant renovation entails a project whose cost is at least fifty percent of the original cost of the facility being renovated and shall have begun after December 31, 1991. A substantial and significant expansion entails an increase in floor space of at least fifty percent over that existing in the preexisting facility and shall have begun after December 31, 1991.

“Sales tax revenues” means such tax collections realized under the Virginia Retail Sales and Use Tax Act (§ 58.1-600 et seq.) of Title 58.1, as limited herein. “Sales tax revenues” does not include the revenue generated by the one-half percent sales and use tax increase enacted by the 1986 Special Session of the General Assembly which shall be paid to the Transportation Trust Fund as defined in § 33.1-23.03:1 *as computed pursuant to subsection A of § 58.1-638*, nor shall it include the one percent of the state sales and use tax revenue distributed among the counties and cities of the Commonwealth pursuant to § 58.1-638 D on the basis of school age population. *Sales tax revenues shall also not include the revenue*

generated by the one percent sales and use tax increase enacted by the 2004 Session of the General Assembly.

B. Any municipality which has issued bonds (i) after December 31, 1991, but before January 1, 1996, (ii) on or after January 1, 1998, but before July 1, 1999, (iii) on or after January 1, 1999, but before July 1, 2001, (iv) on or after July 1, 2000, but before July 1, 2003, or (v) on or after July 1, 2001, but before July 1, 2004, to pay the cost, or portion thereof, of any public facility shall be entitled to all sales tax revenues generated by transactions taking place in such public facility. Such entitlement shall continue for the lifetime of such bonds, which entitlement shall not exceed ~~thirty~~ 30 years, and all such sales tax revenues shall be applied to repayment of the bonds. The State Comptroller shall remit such sales tax revenues to the municipality on a quarterly basis, subject to such reasonable processing delays as may be required by the Department of Taxation to calculate the actual net sales tax revenues derived from the public facility. The State Comptroller shall make such remittances to eligible municipalities, as provided herein, notwithstanding any provisions to the contrary in the Virginia Retail Sales and Use Tax Act (§ 58.1-600 et seq.). No such remittances shall be made until construction is completed and, in the case of a renovation or expansion, until the governing body of the municipality has certified that the renovation or expansion is completed.

C. Nothing in this section shall be construed as authorizing the pledging of the faith and credit of the Commonwealth of Virginia, or any of its revenues, for the payment of any bonds. Any appropriation made pursuant to this section shall be made only from sales tax revenues derived from the public facility for which bonds may have been issued to pay the cost, in whole or in part, of such public facility.

§ 58.1-609.3. Commercial and industrial exemptions.

The tax imposed by this chapter or pursuant to the authority granted in §§ 58.1-605 and 58.1-606 shall not apply to the following:

1. Personal property purchased by a contractor which is used solely in another state or in a foreign country, which could be purchased by such contractor for such use free from sales tax in such other state or foreign country, and which is stored temporarily in Virginia pending shipment to such state or country.

2. (i) Industrial materials for future processing, manufacturing, refining, or conversion into articles of tangible personal property for resale where such industrial materials either enter into the production of or become a component part of the finished product; (ii) industrial materials that are coated upon or impregnated into the product at any stage of its being processed, manufactured, refined, or converted for resale; (iii) machinery or tools or repair parts therefor or replacements thereof, fuel, power, energy, or supplies, used directly in processing, manufacturing, refining, mining or converting products for sale or resale; (iv) materials, containers, labels, sacks, cans, boxes, drums or bags for future use for packaging tangible personal property for shipment or sale; or (v) equipment, printing or supplies used directly to produce a publication described in subdivision 3 of § 58.1-609.6 whether it is ultimately sold at retail or for resale or distribution at no cost. Machinery, tools and equipment, or repair parts therefor or replacements thereof, shall be exempt if the preponderance of their use is directly in processing, manufacturing, refining, mining or converting products for sale or resale. The provisions of this subsection do not apply to the drilling, extraction, refining, or processing of oil, gas, natural gas and coalbed methane gas.

3. Tangible personal property sold or leased to (i) a public service corporation subject to a state franchise or license tax upon gross receipts, (ii) a telecommunications company as defined in § 58.1-400.1 or (iii) a telephone company chartered in the Commonwealth which is exclusively a local mutual association and is not designated to accumulate profits for the benefit of, or to pay dividends to, the stockholders or members thereof, for use or consumption by such corporation, company, person or mutual association directly in the rendition of its public service; and tangible personal property sold or leased to a public service corporation engaged in business as a common carrier of property or passengers by ~~motor vehicle or~~ railway, for use or consumption by such common carrier directly in the rendition of its public service.

4. Ships or vessels, or repairs and alterations thereof, used or to be used exclusively or principally in interstate or foreign commerce; fuel and supplies for use or consumption aboard ships or vessels plying the high seas, either in intercoastal trade between ports in the Commonwealth and ports in other states of

the United States or its territories or possessions, or in foreign commerce between ports in the Commonwealth and ports in foreign countries, when delivered directly to such ships or vessels; or tangible personal property used directly in the building, conversion or repair of the ships or vessels covered by this subdivision. This exemption shall include dredges, their supporting equipment, attendant vessels, and fuel and supplies for use or consumption aboard such vessels, provided the dredges are used exclusively or principally in interstate or foreign commerce.

5. Tangible personal property purchased for use or consumption directly and exclusively in basic research or research and development in the experimental or laboratory sense.

6. Tangible personal property sold or leased to an airline operating in intrastate, interstate or foreign commerce as a common carrier providing scheduled air service on a continuing basis to one or more Virginia airports at least one day per week, for use or consumption by such airline directly in the rendition of its common carrier service.

7. Meals furnished by restaurants or food service operators to employees as a part of wages.

8. Tangible personal property including machinery and tools, repair parts or replacements thereof, and supplies and materials used directly in maintaining and preparing textile products for rental or leasing by an industrial processor engaged in the commercial leasing or renting of laundered textile products.

9. (i) Certified pollution control equipment and facilities as defined in § 58.1-3660, except for any equipment that has not been certified to the Department of Taxation by a state certifying authority pursuant to such section and (ii) effective retroactive to July 1, 1994, and ending July 1, 2006, certified pollution control equipment and facilities as defined in § 58.1-3660 and which, in accordance with such section, have been certified by the Department of Mines, Minerals and Energy for coal, oil and gas production, including gas, natural gas, and coalbed methane gas.

10. Parts, tires, meters and dispatch radios sold or leased to taxicab operators for use or consumption directly in the rendition of their services.

11. High speed electrostatic duplicators or any other duplicators which have a printing capacity of 4,000 impressions or more per hour purchased or leased by persons engaged primarily in the printing or photocopying of products for sale or resale.

12. From July 1, 1994, and ending July 1, 2006, raw materials, fuel, power, energy, supplies, machinery or tools or repair parts therefor or replacements thereof, used directly in the drilling, extraction, refining, or processing of natural gas or oil and the reclamation of the well area. For the purposes of this section, the term "natural gas" shall mean "gas," "natural gas," and "coalbed methane gas" as defined in § 45.1-361.1. For the purposes of this section, "drilling," "extraction," "refining," and "processing" shall include production, inspection, testing, dewatering, dehydration, or distillation of raw natural gas into a usable condition consistent with commercial practices, and the gathering and transportation of raw natural gas to a facility wherein the gas is converted into such a usable condition. Machinery, tools and equipment, or repair parts therefor or replacements thereof, shall be exempt if the preponderance of their use is directly in the drilling, extraction, refining, or processing of natural gas or oil for sale or resale, or in well area reclamation activities required by state or federal law.

13. Beginning July 1, 1997, and ending July 1, 2011, (i) the sale, lease, use, storage, consumption, or distribution of an orbital or suborbital space facility, space propulsion system, space vehicle, satellite, or space station of any kind possessing space flight capability, including the components thereof, irrespective of whether such facility, system, vehicle, satellite, or station is returned to this Commonwealth for subsequent use, storage or consumption in any manner when used to conduct spaceport activities; (ii) the sale, lease, use, storage, consumption or distribution of tangible personal property placed on or used aboard any orbital or suborbital space facility, space propulsion system, space vehicle, satellite or space station of any kind, irrespective of whether such tangible personal property is returned to this Commonwealth for subsequent use, storage or consumption in any manner when used to conduct spaceport activities; (iii) fuels of such quality not adapted for use in ordinary vehicles, being produced for, sold and exclusively used for space flight when used to conduct spaceport activities; (iv) the sale, lease, use, storage, consumption or distribution of machinery and equipment purchased, sold, leased, rented or used exclusively for spaceport activities and the sale of goods and services provided to

operate and maintain launch facilities, launch equipment, payload processing facilities and payload processing equipment used to conduct spaceport activities.

For purposes of this subdivision, "spaceport activities" means activities directed or sponsored at a facility owned, leased, or operated by or on behalf of the Virginia Commercial Space Flight Authority.

The exemptions provided by this subdivision shall not be denied by reason of a failure, postponement or cancellation of a launch of any orbital or suborbital space facility, space propulsion system, space vehicle, satellite or space station of any kind or the destruction of any launch vehicle or any components thereof.

§ 58.1-611.1. Rate of tax on sales of food purchased for human consumption.

A. ~~Subject to the conditions of subsections D and E, the~~ Tax imposed by §§ 58.1-603 and 58.1-604 on food purchased for human consumption shall be levied and distributed as follows:

1. From January 1, 2000, through ~~March 31, 2001~~ *midnight on June 30, 2004*, the tax rate on such food shall be three percent of the gross sales price. The revenue from the tax shall be distributed as follows: (i) the revenue from the tax at the rate of one-half percent shall be distributed as provided in subsection A of § 58.1-638 *as such subsection existed prior to July 1, 2004, in accordance with the law in effect at the relevant time*, (ii) the revenue from the tax at the rate of one percent shall be distributed as provided in subsections B, C and D of § 58.1-638, and (iii) the revenue from the tax at the rate of one and one-half percent shall be used for general fund purposes.

2. ~~From April 1, 2001, through March 31, 2002, the tax rate on such food shall be two and one-half percent of the gross sales price. The revenue from the tax shall be distributed as follows: (i) the revenue from the tax at the rate of one-half percent shall be distributed as provided in subsection A of § 58.1-638, (ii) the revenue from the tax at the rate of one percent shall be distributed as provided in subsections B, C and D of § 58.1-638, and (iii) the revenue from the tax at the rate of one percent shall be used for general fund purposes.~~

3. ~~From April 1, 2002, through March 31, 2003, the tax rate on such food shall be two percent of the gross sales price. The revenue from the tax shall be distributed as follows: (i) the revenue from the tax at the rate of one-half percent shall be distributed as provided in subsection A of § 58.1-638, (ii) the revenue from the tax at the rate of one percent shall be distributed as provided in subsections B, C and D of § 58.1-638, and (iii) the revenue from the tax at the rate of one-half percent shall be used for general fund purposes.~~

4. ~~On and after April 1, 2003, On and after July 1, 2004, the tax rate on such food shall be one and one-half percent of the gross sales price. The revenue from the tax shall be distributed as follows: (i) the revenue from the tax at the rate of one-half percent shall be distributed as provided in subsection A of § 58.1-638 and (ii) the revenue from the tax at the rate of one percent shall be distributed as provided in subsections B, C and D of § 58.1-638.~~

B. The provisions of this section shall not affect the imposition of tax on food purchased for human consumption pursuant to §§ 58.1-605 and 58.1-606.

C. As used in this section, "food purchased for human consumption" has the same meaning as "food" defined in the Food Stamp Act of 1977, 7 U.S.C. § 2012, as amended, and federal regulations adopted pursuant to that Act, except it shall not include seeds and plants which produce food for human consumption. For the purpose of this section, "food purchased for human consumption" shall not include food sold by any retail establishment where the gross receipts derived from the sale of food prepared by such retail establishment for immediate consumption on or off the premises of the retail establishment constitutes more than 80 percent of the total gross receipts of that retail establishment, including but not limited to motor fuel purchases, regardless of whether such prepared food is consumed on the premises of that retail establishment. For purposes of this section, "retail establishment" means each place of business for which any "dealer," as defined in § 58.1-612, is required to apply for and receive a certificate of registration pursuant to § 58.1-613.

D. ~~Notwithstanding the tax rates set forth in subsection A, the rate of tax on sales of food purchased for human consumption for any 12-month period beginning on or after April 1, 2001, shall not be reduced below the rate then in effect for the Commonwealth's current fiscal year if:~~

~~1. Actual general fund revenues for the fiscal year preceding a fiscal year in which a rate reduction is contemplated in subsection A do not exceed the official general fund revenue estimates for such preceding fiscal year, as estimated in the most recently enacted and approved general appropriation act, by at least one percent; or~~

~~2. Any of the events listed in subsection C of § 58.1-3524 or subsection B of § 58.1-3536 have occurred during the then current fiscal year.~~

~~E. If the tax rate on food purchased for human consumption remains the same for the period January 1, 2000, through March 31, 2001, and the subsequent 12-month period beginning on April 1, 2001, or with respect to any consecutive 12-month periods beginning on and after April 1, 2001, the tax rate on such food shall remain the same unless none of the conditions described in subsection D have occurred, in which event the tax rate on food purchased for human consumption for the immediately following 12-month period shall be equal to the next lowest tax rate listed in subsection A.~~

§ 58.1-614. Vending machine sales.

A. Notwithstanding the provisions of §§ 58.1-603 and 58.1-604, whenever a dealer makes sales of tangible personal property through vending machines, or in any other manner making collection of the tax impractical, as determined by the Tax Commissioner, such dealer shall be required to report his wholesale purchases for sale at retail from vending machines and shall be required to remit an amount based on ~~four~~-five and one-half percent of such wholesale purchases.

B. Notwithstanding the provisions of §§ 58.1-605 and 58.1-606, dealers making sales of tangible personal property through vending machines shall report and remit the one percent local sales and use tax computed as provided in subsection A of this section.

C. The provisions of subsections A and B of this section shall not be applicable to vending machine operators all of whose machines are under contract to nonprofit organizations. Such operators shall report only the gross receipts from machines selling items for more than ~~ten~~10 cents and shall be required to remit an amount based on a percentage of their remaining gross sales established by the Tax Commissioner to take into account the inclusion of sales tax.

D. Notwithstanding any other provisions in this section or § 58.1-628, when the Tax Commissioner determines that it is impractical to collect the tax in the manner provided by those sections, such dealer shall be required to remit an amount based on a percentage of gross receipts which takes into account the inclusion of the sales tax.

E. The provisions of this section shall not be applicable to any dealer who fails to maintain records satisfactory to the Tax Commissioner. A dealer making sales of tangible personal property through vending machines shall obtain a certificate of registration under § 58.1-613 in relevant form for each county or city in which he has machines.

§ 58.1-615. Returns by dealers.

A. Every dealer required to collect or pay the sales or use tax shall, on or before the twentieth day of the month following the month in which the tax shall become effective, transmit to the Tax Commissioner a return showing the gross sales, gross proceeds, or cost price, as the case may be, arising from all transactions taxable under this chapter during the preceding calendar month, and thereafter a like return shall be prepared and transmitted to the Tax Commissioner by every dealer on or before the twentieth day of each month, for the preceding calendar month. In the case of dealers regularly keeping books and accounts on the basis of an annual period ~~which that varies fifty-two~~52 to ~~fifty-three~~53 weeks, the Tax Commissioner may make rules and regulations for reporting consistent with such accounting period.

Notwithstanding any other provision of this chapter, a dealer may be required by the Tax Commissioner to file sales or use tax returns on an accounting period less frequent than monthly when, in the opinion of the Tax Commissioner, the administration of the taxes imposed by this chapter would be enhanced. If a dealer is required to file other than monthly, each such return shall be due on or before the twentieth day of the month following the close of the period. Each such return shall contain all information required for monthly returns.

A sales or use tax return shall be filed by each registered dealer even though the dealer is not liable to remit to the Tax Commissioner any tax for the period covered by the return.

B. 1. In addition to the amounts required under the provisions of this section and § 58.1-616, any dealer as defined by § 58.1-612 or direct payment permit holder pursuant to § 58.1-624, with taxable sales and purchases of \$1,300,000 or greater for the ~~twelve~~ 12-month period beginning July 1, and ending June 30 of the immediately preceding calendar year, shall be required to make a payment equal to 90 percent of the sales and use tax liability for the previous June. Such tax payments shall be made on or before the 30th day of June, if payment is made by electronic funds transfer, as defined in § 58.1-202.1. If payment is made by other than electronic funds transfer, such payment shall be made on or before the ~~25th~~ twenty-fifth day of June. For purposes of this provision, taxable sales or purchases shall be computed without regard to the number of certificates of registration held by the dealer. Every dealer or direct payment permit holder shall be entitled to a credit for the payment under this subsection on the return for June of the current year due July 20. The provisions of this subsection shall not apply to persons who are required to file only a Form ST-7, Consumer User Tax Return.

2. In lieu of the penalties provided in § 58.1-635, except with respect to fraudulent returns, failure to make a timely payment or full payment of the sales and use tax liability as provided in this subsection shall subject the dealer or direct payment permit holder to a penalty of six percent of the amount of tax underpayment that should have been properly paid to the Tax Commissioner. Interest will accrue as provided in § 58.1-15. The payment required by this subsection shall become delinquent on the first day following the due date set forth in this subsection if not paid.

3. *This subsection shall be effective until June 1, 2005.*

§ 58.1-627. Bracket system for tax at rate of four and one-half percent.

The following brackets of prices shall be used for the collection of the tax imposed by this chapter:

\$0.00 to \$0.14 \$0.11	no tax
.15 .12 to .42 .33	1¢ tax
.43 .34 to .71 .55	2¢ tax
.72 .56 to .99 .77	3¢ tax
1.00 .78 to 1.28 .99	4¢ tax
1.29 1.00 to 1.57 1.22	5¢ tax
1.58 1.23 to 1.85 1.44	6¢ tax
1.86 1.45 to 2.14 1.66	7¢ tax
2.15 1.67 to 2.42 1.88	8¢ tax
2.43 1.89 to 2.71 2.11	9¢ tax
2.72 2.12 to 2.99 2.33	10¢ tax
3.00 2.34 to 3.28 2.55	11¢ tax
3.29 2.56 to 3.57 2.77	12¢ tax
3.58 2.78 to 3.85 2.99	13¢ tax
3.86 3.00 to 4.14 3.22	14¢ tax
4.15 3.23 to 4.42 3.44	15¢ tax
4.43 3.45 to 4.71 3.66	16¢ tax
4.72 3.67 to 5.00 3.88	17¢ tax
3.89 to 4.11	18¢ tax
4.12 to 4.33	19¢ tax
4.34 to 4.55	20¢ tax
4.56 to 4.77	21¢ tax
4.78 to 5.00	22¢ tax

On transactions ~~over five dollars~~ greater than \$5, the tax shall be computed at ~~three~~ four and one-half percent, one-half cent or more being treated as one cent. If a dealer can show to the satisfaction of the Tax Commissioner that more than ~~eighty-five~~ 85 percent of the total dollar volume of his gross taxable sales during the taxable month was from individual sales at prices of ~~ten~~ 10 cents or less each, and that he was unable to adjust his prices in such manner as to prevent the economic incidence of the sales tax from falling on him, the Tax Commissioner shall determine the proper tax liability of the dealer based on that portion of the dealer's gross taxable sales which was from sales at prices of eleven cents or more.

§ 58.1-628. Bracket system for combined state and local tax.

The following brackets of prices shall be used for the collection of the combined state and local tax:

\$0.00 to \$0.11 .09	no tax
.12 .10 to .33 .27	1¢ tax
.34 .28 to .55 .45	2¢ tax
.56 .46 to .77 .63	3¢ tax
.78 .64 to .99 .81	4¢ tax
1.00 .82 to 1.22 .99	5¢ tax
1.23 1.00 to 1.44 1.18	6¢ tax
1.45 1.19 to 1.66 1.36	7¢ tax
1.67 1.37 to 1.88 1.54	8¢ tax
1.89 1.55 to 2.11 1.72	9¢ tax
2.12 1.73 to 2.33 1.90	10¢ tax
2.34 1.91 to 2.55 2.09	11¢ tax
2.56 2.10 to 2.77 2.27	12¢ tax
2.78 2.28 to 2.99 2.45	13¢ tax
3.00 2.46 to 3.22 2.63	14¢ tax
3.23 2.64 to 3.44 2.81	15¢ tax
3.45 2.82 to 3.66 2.99	16¢ tax
3.67 3.00 to 3.88 3.18	17¢ tax
3.89 3.19 to 4.11 3.36	18¢ tax
4.12 3.37 to 4.33 3.54	19¢ tax
4.34 3.55 to 4.55 3.72	20¢ tax
4.56 3.73 to 4.77 3.90	21¢ tax
4.78 3.91 to 5.00 4.09	22¢ tax
4.10 to 4.27	23¢ tax
4.28 to 4.45	24¢ tax
4.46 to 4.63	25¢ tax
4.64 to 4.81	26¢ tax
4.82 to 5.00	27¢ tax

On transactions ~~over five dollars~~ greater than \$5, the tax shall be computed at ~~four~~ five and one-half percent, one half cent or more being treated as one cent. The foregoing bracket system shall not relieve the dealer from the duty and liability to remit an amount equal to ~~four~~ five and one-half percent of his gross taxable sales as provided in this chapter. If the dealer, however, can show to the satisfaction of the Tax Commissioner that more than ~~eighty five~~ 85 percent of the total dollar volume of his gross taxable sales during the taxable month was from individual sales at prices of ~~ten~~ 10 cents or less each and that he was unable to adjust his prices in such manner as to prevent the economic incidence of the sales tax from falling on him, the Tax Commissioner shall determine the proper tax liability of the dealer based on that portion of the dealer's gross taxable sales which was from sales at prices of ~~eleven~~ 11 cents or more.

§ 58.1-638. Disposition of state sales and use tax revenue; localities' share; Game Protection Fund.

A. The Comptroller shall designate a specific revenue code number for all the state sales and use tax revenue collected under the preceding sections of this chapter.

1. The sales and use tax revenue generated by the one-half percent sales and use tax increase enacted by the 1986 Special Session of the General Assembly, *computed without regard to revenues generated from sales and use taxes on food purchased for human consumption as defined in § 58.1-611.1*, shall be paid, in the manner hereinafter provided in this section, to the Transportation Trust Fund as defined in § 33.1-23.03:1. Of the funds paid to the Transportation Trust Fund, an aggregate of 4.2 percent shall be set aside as the Commonwealth Port Fund as provided in this section; an aggregate of 2.4 percent shall be set aside as the Commonwealth Airport Fund as provided in this section; and an aggregate of 14.5 percent in fiscal year 1998-1999 and 14.7 percent in fiscal year 1999-2000 and thereafter shall be set aside as the Commonwealth Mass Transit Fund as provided in this section. The Fund's share of such net revenue shall be computed as an estimate of the net revenue to be received into the state treasury each month, and such

estimated payment shall be adjusted for the actual net revenue received in the preceding month. All payments shall be made to the Fund on the last day of each month.

2. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be a part of the Transportation Trust Fund and which shall be known as the Commonwealth Port Fund.

a. The Commonwealth Port Fund shall be established on the books of the Comptroller and the funds remaining in such Fund at the end of a biennium shall not revert to the general fund but shall remain in the Fund. Interest earned on such funds shall remain in the Fund and be credited to it. Funds may be paid to any authority, locality or commission for the purposes hereinafter specified.

b. The amounts allocated pursuant to this section shall be allocated by the Commonwealth Transportation Board to the Board of Commissioners of the Virginia Port Authority to be used to support port capital needs and the preservation of existing capital needs of all ocean, river, or tributary ports within the Commonwealth.

c. Commonwealth Port Fund revenue shall be allocated by the Board of Commissioners to the Virginia Port Authority in order to foster and stimulate the flow of maritime commerce through the ports of Virginia, including but not limited to the ports of Richmond, Hopewell and Alexandria.

3. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be part of the Transportation Trust Fund and which shall be known as the Commonwealth Airport Fund. The Commonwealth Airport Fund shall be established on the books of the Comptroller and any funds remaining in such Fund at the end of a biennium shall not revert to the general fund but shall remain in the Fund. Interest earned on the funds shall be credited to the Fund. The funds so allocated shall be allocated by the Commonwealth Transportation Board to the Virginia Aviation Board. The funds shall be allocated by the Virginia Aviation Board to any Virginia airport which is owned by the Commonwealth, a governmental subdivision thereof, or a private entity to which the public has access for the purposes enumerated in § 5.1-2.16, or is owned or leased by the Metropolitan Washington Airports Authority (MWAA), as follows:

Any new funds in excess of \$12.1 million which are available for allocation by the Virginia Aviation Board from the Commonwealth Transportation Fund, shall be allocated as follows: sixty percent to MWAA, up to a maximum annual amount of two million dollars, and forty percent to air carrier airports as provided in subdivision A 3 a. Except for adjustments due to changes in enplaned passengers, no air carrier airport sponsor, excluding MWAA, shall receive less funds identified under subdivision A 3 a than it received in fiscal year 1994-1995.

Of the remaining amount:

a. Forty percent of the funds shall be allocated to air carrier airports, except airports owned or leased by MWAA, based upon the percentage of enplanements for each airport to total enplanements at all air carrier airports, except airports owned or leased by MWAA. No air carrier airport sponsor, however, shall receive less than \$50,000 nor more than \$2 million per year from this provision.

b. Forty percent of the funds shall be allocated by the Aviation Board for air carrier and reliever airports on a discretionary basis, except airports owned or leased by MWAA.

c. Twenty percent of the funds shall be allocated by the Aviation Board for general aviation airports on a discretionary basis.

4. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be a part of the Transportation Trust Fund and which shall be known as the Commonwealth Mass Transit Fund.

a. The Commonwealth Mass Transit Fund shall be established on the books of the Comptroller and any funds remaining in such Fund at the end of the biennium shall not revert to the general fund but shall remain in the Fund. Interest earned on such funds shall be credited to the Fund. Funds may be paid to any local governing body, transportation district commission, or public service corporation for the purposes hereinafter specified.

b. The amounts allocated pursuant to this section shall be used to support the public transportation administrative costs and the costs borne by the locality for the purchase of fuels, lubricants, tires and maintenance parts and supplies for public transportation at a state share of ~~eighty~~ 80 percent in 2002 and ~~ninety five~~ 95 percent in 2003 and succeeding years. These amounts may be used to support up to

~~ninety-five~~95 percent of the local or nonfederal share of capital project costs for public transportation and ridesharing equipment, facilities, and associated costs. Capital costs may include debt service payments on local or agency transit bonds. The term "borne by the locality" means the local share eligible for state assistance consisting of costs in excess of the sum of fares and other operating revenues plus federal assistance received by the locality.

c. Commonwealth Mass Transit Fund revenue shall be allocated by the Commonwealth Transportation Board as follows:

(1) Funds for special programs, which shall include ridesharing, experimental transit, and technical assistance, shall not exceed 1.5 percent of the Fund.

(2) The Board may allocate these funds to any locality or planning district commission to finance up to eighty percent of the local share of all costs associated with the development, implementation, and continuation of ridesharing programs.

(3) Funds allocated for experimental transit projects may be paid to any local governing body, transportation district commission, or public corporation or may be used directly by the Department of Rail and Public Transportation for the following purposes:

(a) To finance up to ~~ninety-five~~95 percent of the capital costs related to the development, implementation and promotion of experimental public transportation and ridesharing projects approved by the Board.

(b) To finance up to ~~ninety-five~~95 percent of the operating costs of experimental mass transportation and ridesharing projects approved by the Board for a period of time not to exceed twelve months.

(c) To finance up to ~~ninety-five~~95 percent of the cost of the development and implementation of any other project designated by the Board where the purpose of such project is to enhance the provision and use of public transportation services.

d. Funds allocated for public transportation promotion and operation studies may be paid to any local governing body, planning district commission, transportation district commission, or public transit corporation, or may be used directly by the Department of Rail and Public Transportation for the following purposes and aid of public transportation services:

(1) At the approval of the Board to finance a program administered by the Department of Rail and Public Transportation designed to promote the use of public transportation and ridesharing throughout Virginia.

(2) To finance up to ~~fifty~~50 percent of the local share of public transportation operations planning and technical study projects approved by the Board.

e. At least 73.5 percent of the Fund shall be distributed to each transit property in the same proportion as its operating expenses bear to the total statewide operating expenses and shall be spent for the purposes specified in subdivision 4 b.

f. The remaining ~~twenty-five~~25 percent shall be distributed for capital purposes on the basis of ~~ninety-five~~95 percent of the nonfederal share for federal projects and ~~ninety-five~~95 percent of the total costs for nonfederal projects. In the event that total capital funds available under this subdivision are insufficient to fund the complete list of eligible projects, the funds shall be distributed to each transit property in the same proportion that such capital expenditure bears to the statewide total of capital projects.

g. There is hereby created in the Department of the Treasury a special nonreverting fund known as the Commonwealth Transit Capital Fund. The Commonwealth Transit Capital Fund shall be part of the Commonwealth Mass Transit Fund. The Commonwealth Transit Capital Fund subaccount shall be established on the books of the Comptroller and consist of such moneys as are appropriated to it by the General Assembly and of all donations, gifts, bequests, grants, endowments, and other moneys given, bequeathed, granted, or otherwise made available to the Commonwealth Transit Capital Fund. Any funds remaining in the Commonwealth Transit Capital Fund at the end of the biennium shall not revert to the general fund, but shall remain in the Commonwealth Transit Capital Fund. Interest earned on funds within the Commonwealth Transit Capital Fund shall remain in and be credited to the Commonwealth Transit Capital Fund. Proceeds of the Commonwealth Transit Capital Fund may be paid to any political subdivision, another public entity created by an act of the General Assembly, or a private entity as defined

in § 56-557 and for purposes as enumerated in subdivision 4c of § 33.1-269 or expended by the Department of Rail and Public Transportation for the purposes specified in this subdivision. Revenues of the Commonwealth Transit Capital Fund shall be used to support capital expenditures involving the establishment, improvement, or expansion of public transportation services through specific projects approved by the Commonwealth Transportation Board. Projects financed by the Commonwealth Transit Capital Fund shall receive local, regional or private funding for at least ~~twenty~~ 20 percent of the nonfederal share of the total project cost.

5. Funds for Metro shall be paid by the Northern Virginia Transportation Commission (NVTC) to the Washington Metropolitan Area Transit Authority (WMATA) and be a credit to the Counties of Arlington and Fairfax and the Cities of Alexandria, Falls Church and Fairfax in the following manner:

a. Local obligations for debt service for WMATA rail transit bonds apportioned to each locality using WMATA's capital formula shall be paid first by NVTC. NVTC shall use ~~ninety-five~~ 95 percent state aid for these payments.

b. The remaining funds shall be apportioned to reflect WMATA's allocation formulas by using the related WMATA-allocated subsidies and relative shares of local transit subsidies. Capital costs shall include twenty percent of annual local bus capital expenses. Hold harmless protections and obligations for NVTC's jurisdictions agreed to by NVTC on November 5, 1998, shall remain in effect.

Appropriations from the Commonwealth Mass Transit Fund are intended to provide a stable and reliable source of revenue as defined by Public Law 96-184.

B. The sales and use tax revenue generated by a one percent sales and use tax shall be distributed among the counties and cities of this Commonwealth in the manner provided in subsections C and D.

C. The localities' share of the net revenue distributable under this section among the counties and cities shall be apportioned by the Comptroller and distributed among them by warrants of the Comptroller drawn on the Treasurer of Virginia as soon as practicable after the close of each month during which the net revenue was received into the state treasury. The distribution of the localities' share of such net revenue shall be computed with respect to the net revenue received into the state treasury during each month, and such distribution shall be made as soon as practicable after the close of each such month.

D. The net revenue so distributable among the counties and cities shall be apportioned and distributed upon the basis as certified to the Comptroller by the Department of Education, of the number of children in each county and city according to the most recent statewide census of school population taken by the Department of Education pursuant to § 22.1-284, as adjusted in the manner hereinafter provided. No special school population census, other than a statewide census, shall be used as the basis of apportionment and distribution except that in any calendar year in which a statewide census is not reported, the Department of Education shall adjust such school population figures by the same percent of annual change in total population estimated for each locality by The Center for Public Service. The revenue so apportionable and distributable is hereby appropriated to the several counties and cities for maintenance, operation, capital outlays, debt and interest payments, or other expenses incurred in the operation of the public schools, which shall be considered as funds raised from local resources. In any county, however, wherein is situated any incorporated town constituting a school division, the county treasurer shall pay into the town treasury for maintenance, operation, capital outlays, debt and interest payments, or other expenses incurred in the operation of the public schools, the proper proportionate amount received by him in the ratio that the school population of such town bears to the school population of the entire county. If the school population of any city or of any town constituting a school division is increased by the annexation of territory since the last preceding school population census, such increase shall, for the purposes of this section, be added to the school population of such city or town as shown by the last such census and a proper reduction made in the school population of the county or counties from which the annexed territory was acquired.

E. Beginning July 1, 2000, of the remaining sales and use tax revenue, the revenue generated by a two percent sales and use tax, up to an annual amount of \$13 million, collected from the sales of hunting equipment, auxiliary hunting equipment, fishing equipment, auxiliary fishing equipment, wildlife-watching equipment, and auxiliary wildlife-watching equipment in Virginia, as estimated by the most recent U.S. Department of the Interior, Fish and Wildlife Service and U.S. Department of

Commerce, Bureau of the Census National Survey of Fishing, Hunting, and Wildlife-Associated Recreation, shall be paid into the Game Protection Fund established under § 29.1-101 and shall be used, in part, to defray the cost of law enforcement. Not later than ~~thirty~~30 days after the close of each quarter, the Comptroller shall transfer to the Game Protection Fund the appropriate amount of collections to be dedicated to such Fund. At any time that the balance in the Capital Improvement Fund, established under § 29.1-101.1, is equal to or in excess of \$35 million, any portion of sales and use tax revenues that would have been transferred to the Game Protection Fund, established under § 29.1-101, in excess of the net operating expenses of the Board, after deduction of other amounts which accrue to the Board and are set aside for the Game Protection Fund, shall remain in the general fund until such time as the balance in the Capital Improvement Fund is less than \$35 million.

F. Beginning July 1, 2004, of the revenue generated by a one percent sales and use tax, pursuant to enactments of the 2004 Session of the General Assembly increasing the state sales and use tax to four and one-half percent, in each fiscal year, unless otherwise provided in the general appropriation act, the Comptroller shall transfer \$30 million to the Virginia Natural and Historic Resources Fund established under § 10.1-2135. To accomplish such transfer, beginning with the Commonwealth's fiscal year starting on July 1, 2004, the Comptroller shall transfer \$15 million in December and \$15 million in June of each fiscal year to the Virginia Natural and Historic Resources Fund.

FG. If errors are made in any distribution, or adjustments are otherwise necessary, the errors shall be corrected and adjustments made in the distribution for the next quarter or for subsequent quarters.

GH. The term "net revenue," as used in this section, means the gross revenue received into the general fund or the Transportation Trust Fund of the state treasury under the preceding sections of this chapter, less refunds to taxpayers.

§ 58.1-639. Transitional provisions.

A. To the extent of any increase in the state sales and use tax rate enacted by the ~~1986 Special~~ 2004 Session of the Virginia General Assembly, the Tax Commissioner, upon application of the purchaser in accordance with regulations promulgated by the Commissioner, shall have the authority to refund state sales or use taxes paid on purchases of tangible personal property made pursuant to bona fide real estate construction contracts, contracts for the sale of tangible personal property, and leases, provided that the real estate construction contract, contract for the sale of tangible personal property or lease is entered into prior to the date of enactment of the increase of the state sales and use tax rate; and further provided that the date of delivery of the tangible personal property is on or before ~~March 30, 1987~~ September 30, 2004. The term "bona fide contract," when used in this section in relation to real estate construction contracts, shall include but not be limited to those contracts which are entered into prior to the enactment of the increase in the state sales and use tax rate, provided that such contracts include plans and specifications.

B. Notwithstanding the foregoing ~~March 30, 1987~~ September 30, 2004, delivery date requirement, with respect to bona fide real estate construction contracts which contain a specific and stated date of completion, the date of delivery of such tangible personal property shall be on or before the completion date of the applicable project.

C. Applications for refunds pursuant to this section shall be made in accordance with the provisions of § 58.1-1823. Interest computed in accordance with § 58.1-1833 shall be added to the tax refunded pursuant to this section.

§ 58.1-801. Deeds generally; charter amendments.

A. On every deed admitted to record, except a deed exempt from taxation by law, there is hereby levied a state recordation tax. The rate of the tax shall be ~~fifteen~~30 cents on every \$100 or fraction thereof of the consideration of the deed or the actual value of the property conveyed, whichever is greater.

Upon deeds conveying property lying partly within the Commonwealth and partly without the Commonwealth, the tax herein imposed shall apply only to the value of so much of the property conveyed as is situated within the Commonwealth.

B. When the charter of a corporation is amended, and the only effect of such amendment is to change the corporate name of such corporation, the tax upon the recordation of a deed conveying to, or vesting in, such corporation under its changed name, the title to any or all of the real or personal property

of such corporation held in its name as it existed immediately prior to such amendment, shall be fifty cents.

§ 58.1-803. Deeds of trust or mortgages; maximum tax.

A. A recordation tax on deeds of trust or mortgages is hereby imposed at a rate of ~~15¢~~ 30 cents on every \$100 or portion thereof of the amount of bonds or other obligations secured thereby. In the event of an open or revolving deed of trust, the amount of the obligation for purposes of this section shall be the maximum amount which may be outstanding at any one time. In any case in which the amount which may be secured under a deed of trust or mortgage is not ascertainable, the tax shall be based upon the fair market value of the property conveyed, determined as of the date of the deed of trust or mortgage. The fair market value of the property shall include the value of any realty required by the terms of the deed of trust or mortgage to be constructed thereon.

B. On deeds of trust or mortgages upon the works and property of a railroad lying partly within the Commonwealth and partly without the Commonwealth, the tax shall be only upon such proportion of the amount of bonds, or other obligations secured thereby, as the number of miles of the line of such company in the Commonwealth bears to the whole number of miles of the line of such company conveyed by such deed of trust or mortgage.

Upon deeds of trust or mortgages conveying other property lying partly within the Commonwealth and partly without the Commonwealth the tax herein imposed shall be only upon such proportion of the debt secured as the value of the property located within the Commonwealth, or which may be brought into the Commonwealth, bears to the entire amount of property conveyed by such deed of trust or mortgage.

C. On deeds of trust or mortgages, which provide for an initial issue of bonds, to be followed thereafter by additional bonds, unlimited in amount, if such deed of trust or mortgage provides that as and when such additional bonds are issued a supplemental indenture shall be recorded in the office in which the original deed of trust or mortgage is first recorded, which supplement shall contain a statement as to the amount of the additional bonds to be issued, then the tax shall be paid upon the initial amount of bonds when the original deed of trust is recorded and thereafter on each additional amount of bonds when the supplemental indenture relating to such additional bonds is recorded.

On deeds of trust or mortgages which are supplemental to or wrap around existing deeds of trust on which the tax imposed hereunder has already been paid, the tax shall be paid only on that portion of the face amount of the bond or obligation secured thereby which is in addition to the amount of the existing debt secured by a deed of trust or mortgage on which tax has been paid. The instrument shall certify the amount of the existing debt.

D. On deeds of trust or mortgages, the purpose of which is to refinance or modify the terms of an existing debt with the same lender, which debt is secured by a deed of trust or mortgage on which the tax imposed hereunder has been paid, the tax shall be paid only on that portion of the amount of the bond or other obligation secured thereby which is in addition to the amount of the original debt secured by a deed of trust or mortgage on which the tax has been paid. The instrument shall certify the amount of original debt.

E. The maximum tax on the recordation of any deed of trust or mortgage or on any indenture supplemental thereto shall be determined in accordance with the following schedule:

On the first 10 million dollars of value as determined pursuant to this section, ~~15¢~~ 30 cents upon every \$100 or portion thereof;

On the next 10 million dollars of value as determined pursuant to this section, ~~12¢~~ 27 cents upon every \$100 or portion thereof;

On the next 10 million dollars of value as determined pursuant to this section, ~~9¢~~ 24 cents upon every \$100 or portion thereof;

On the next 10 million dollars of value as determined pursuant to this section, ~~6¢~~ 21 cents upon every \$100 or portion thereof; and

On all over 40 million dollars of value as determined pursuant to this section, ~~3¢~~ 18 cents upon every \$100 or portion thereof, incorporated into this section.

§ 58.1-807. Contracts generally; leases.

A. Except as hereinafter provided, on every contract or memorandum thereof relating to real or personal property admitted to record, a recordation tax is hereby levied at the rate of ~~fifteen~~ 30 cents on every \$100 or fraction thereof of the consideration or value contracted for.

B. The recordation of a deed of lease for a term of years, or assignment of the lessee's interest therein, or memorandum thereof, shall be taxed according to the provisions of this section, unless provided otherwise in § 58.1-809 or unless the annual rental, multiplied by the term for which the lease runs, or remainder thereof, equals or exceeds the actual value of the property leased. In such cases the tax for recording the deed of lease shall be based upon the actual value of the property at the date of lease, including the value of any realty required by the terms of the lease to be constructed thereon by the lessor.

C. The recordation of an assignment of the lessor's interest in a lease, or memorandum thereof, shall be taxed according to the provisions of this section, unless the assignment of the lessor's interest in the lease is to provide additional security for an obligation of the lessor on which the tax has been previously paid, or the assignment of the lessor's interest is made to the person who owns the property which is subject to the lease. In such cases there shall be no tax for recording the lessor's assignment of the lease.

D. Notwithstanding the other provisions of this section, the tax on the recordation of leases of oil and gas rights shall not exceed ~~twenty-five dollars~~ \$25. The tax on the recordation of leases of coal and other mineral rights shall not exceed ~~fifty dollars~~ \$50.

E. Notwithstanding the other provisions of this section, the tax on the recordation of leases of outdoor advertising signs owned by a person engaged in the business of outdoor advertising licensed by the Virginia Department of Transportation pursuant to § 33.1-361 shall not exceed ~~twenty-five dollars~~ \$25.

§ 58.1-808. Sales contracts for the sale of rolling stock or equipment.

On every contract or agreement admitted to record relating to the sale of rolling stock or equipment, whether the title is reserved in the vendor or not, with a railroad corporation or other corporation or with a person, firm or company, the tax shall be ~~15¢~~ 30 cents on every \$100 or fraction thereof of the amount contracted for in such contract or agreement. When such contract or agreement is with a railroad corporation lying partly within the Commonwealth and partly without the Commonwealth, the tax shall be upon such proportion of the amount contracted for as the number of miles of the line of such railroad corporation in the Commonwealth bears to the whole number of miles of line of such railroad corporation.

§ 58.1-815. U.S. Route 58 Corridor Development Fund.

There is hereby created in the Department of the Treasury a special nonreverting fund which shall be a part of the Transportation Trust Fund and which shall be known as the U.S. Route 58 Corridor Development Fund, consisting of the first \$40 million of annual collections of the state recordation taxes imposed ~~by this chapter~~ *at the tax rates in effect on January 1, 2004, pursuant to this chapter*; provided, however, this dedication shall not affect the local recordation taxes under §§ 58.1-802 B and 58.1-814. The Fund shall also include such other funds as may be appropriated by the General Assembly from time to time, and designated for this Fund and all interest, dividends and appreciation which may accrue thereto. Any moneys remaining in the Fund at the end of a biennium shall not revert to the General Fund, but shall remain in the Fund. Allocations from this Fund may be paid to any authority, locality or commission for the purposes specified in § 33.1-221.1:2.

§ 58.1-816. Distribution of recordation tax to cities and counties.

A. Effective October 1, 1993, twenty million dollars of the taxes imposed under §§ 58.1-801 through 58.1-809 *at the tax rates in effect on January 1, 2004*, which are actually paid into the state treasury, shall be distributed among the counties and cities of this Commonwealth in the manner provided in subsection B of this section. Effective July 1, 1994, such annual distribution shall increase to forty million dollars.

B. Subject to any transfers required under §§ 58.1-815.1 and 58.1-816.1, the share of the state taxes distributable under this section among the counties and cities shall be apportioned and distributed quarterly to each county or city by the Comptroller by multiplying the amount to be distributed by a fraction in which the numerator is the amount of the taxes imposed under §§ 58.1-801 through 58.1-809 and actually paid into the state treasury which are attributable to deeds and other instruments recorded in the county or city and the denominator is the amount of taxes imposed under §§ 58.1-801 through

58.1-809 actually paid into the state treasury. All distributions pursuant to this section shall be made on a quarterly basis within thirty days of the end of the quarter. Such quarterly distribution shall equal ten million dollars. Each clerk of the court shall certify to the Comptroller, within fifteen days after the end of the quarter, all amounts collected under §§ 58.1-801 through 58.1-809 and actually paid into the state treasury which are attributable to deeds and other instruments recorded in such county or city.

C. All moneys distributed to counties and cities pursuant to this section shall be used for (i) transportation purposes, including, without limitation, construction, administration, operation, improvement, maintenance and financing of transportation facilities, or (ii) public education.

As used in this section, the term "transportation facilities" shall include all transportation-related facilities including, but not limited to, all highway systems, public transportation or mass transit systems as defined in § 33.1-12, airports as defined in § 5.1-1, and port facilities as defined in § 62.1-140. Such term shall be liberally construed for purposes of this section.

D. If any revenues distributed to a county or city under subsection C of this section are applied or expended for any transportation facilities under the control and jurisdiction of any state agency, board, commission or authority, such transportation facilities shall be constructed, operated, administered, improved and maintained in accordance with laws, rules, regulations, policies and procedures governing such state agency, board, commission or authority; however, in the event these revenues, or a portion thereof, are expended for improving or constructing highways in a county which is subject to the provisions of § 33.1-75.3, such expenditures shall be undertaken in the manner prescribed in that statute.

E. In the case of any distribution to a county or city in which an office sharing agreement pursuant to §§ 15.2-1637 and 15.2-3822 is in effect, the Comptroller shall divide the distribution among the office sharing counties and cities. Each clerk of the court acting pursuant to an office sharing agreement shall certify to the Comptroller, within fifteen days after the end of the quarter, all amounts collected under §§ 58.1-801 through 58.1-809 and actually paid into the state treasury which are attributable to deeds and other instruments recorded on behalf of each county and city.

§ 58.1-901. Definitions.

As used in this chapter, unless the context clearly shows otherwise, the term or phrase:

"Decedent" means a deceased person.

"Federal credit" means the maximum amount of the credit for state death taxes allowable by § 2011 of the United States Internal Revenue Code of 1954, as amended or renumbered, or successor provision, in respect to a decedent's taxable estate. The term "maximum amount" shall be construed as to take full advantage of such credit as the laws of the United States may allow. In no event, however, shall such amount be less than the federal credit allowable by § 2011 of the Internal Revenue Code as it existed on January 1, 1978.

"Gross estate" means "gross estate" as defined in § 2031 of the United States Internal Revenue Code of 1954, as amended or renumbered, or the successor provision of the laws of the United States.

"Interest in a closely held business" means an "interest in a closely held business" as defined in § 6166 of the United States Internal Revenue Code of 1986, as amended or renumbered, or the successor provision of the laws of the United States.

"Nonresident" means a decedent who was domiciled outside of the Commonwealth of Virginia at his death.

"Personal representative" means the personal representative of the estate of the decedent, appointed, qualified and acting within the Commonwealth, or, if there is no personal representative appointed, qualified and acting within the Commonwealth, then any person in actual or constructive possession of the Virginia gross estate of the decedent.

"Resident" means a decedent who was domiciled in the Commonwealth of Virginia at his death.

"State" means any state, territory or possession of the United States and the District of Columbia.

"Taxable estate" means "taxable estate" as defined in § 2051 of the United States Internal Revenue Code of 1954, as amended or renumbered, or the successor provision of the laws of the United States.

"Value" means "value" as finally determined for federal estate tax purposes under the laws of the United States relating to federal estate taxes.

“Working farm” means an interest in a closely held business that operates as an active trade or business for agricultural purposes.

Any reference in this chapter to the laws of the United States relating to federal estate and gift taxes means the provisions of the Internal Revenue Code of 1954, and amendments thereto, and other provisions of the laws of the United States relating to federal estate and gift taxes, as the same may be or become effective at any time or from time to time.

§ 58.1-902. Tax on transfer of taxable estate of residents; amounts; credit; property of resident defined.

A. 1. ~~A~~ For deaths occurring before January 1, 2004, a tax in the amount of the federal credit is imposed on the transfer of the taxable estate of every resident, subject, where applicable, to the credit provided for in subsection B.

2. For deaths occurring on or after January 1, 2004, a tax in the amount of the federal credit is imposed on the transfer of the taxable estate of every resident whose gross estate exceeds \$10 million, subject, where applicable, to the credit provided for in subsection B. However, no tax shall be imposed on a gross estate if the majority of the assets of the total estate are an interest in a closely held business or a working farm.

B. If the real and tangible personal property of a resident is located outside of the Commonwealth and is subject to a death tax imposed by another state for which a credit is allowed under § 2011 of the Internal Revenue Code of 1954, as amended or renumbered, or the successor provision of the laws of the United States relating to federal estate taxes, the amount of tax due under this section shall be credited with the lesser of:

1. The amount of the death tax paid the other state and credited against the federal estate tax; or
2. An amount computed by multiplying the federal credit by a fraction, the numerator of which is the value of that part of the gross estate over which another state or states have jurisdiction to the same extent to which Virginia would exert jurisdiction under this chapter with respect to the residents of such other state or states and the denominator of which is the value of the decedent’s gross estate.

C. Property of a resident includes:

1. Real property situated in the Commonwealth of Virginia;
2. Tangible personal property having an actual situs in the Commonwealth of Virginia; and
3. Intangible personal property owned by the resident regardless of where it is located.

§ 58.1-2402. Levy.

A. There is hereby levied, in addition to all other taxes and fees of every kind now imposed by law, a tax upon the sale or use of motor vehicles in Virginia, other than (i) vehicles with a gross vehicle weight rating or gross combination weight rating of 26,001 pounds or more, or (ii) a sale to or use by a person for rental as an established business or part of an established business or incidental or germane to such business.

There shall also be levied a tax upon the rental of a motor vehicle in Virginia, without regard to whether such vehicle is required to be licensed by the Commonwealth. However, such tax shall not be levied upon a rental to a person for re-rental as an established business or part of an established business, or incidental or germane to such business.

The amount of the tax to be collected shall be determined by the Commissioner by the application of the following rates against the gross sales price or gross proceeds:

1. Three percent of the sale price of each motor vehicle sold in Virginia. If such motor vehicle is a manufactured home as defined in § 36-85.3, the tax shall be three percent of the sale price of each such manufactured home sold in this Commonwealth; if such vehicle is a mobile office as defined in § 58.1-2401, the tax shall be two percent of the sale price of each mobile office sold in this Commonwealth.

2. Three percent of the sale price of each motor vehicle, or three percent of the sale price of each manufactured home as defined in § 36-85.3, or two percent of the sale price of each mobile office as defined in § 58.1-2401, not sold in Virginia but used or stored for use in this Commonwealth. When any such motor vehicle or manufactured home is first used or stored for use in Virginia six months or more after its acquisition, the tax shall be based on its current market value.

3. Four percent of the gross proceeds from the rental in Virginia of any motor vehicle, except those with a gross vehicle weight rating or gross combination weight rating of 26,001 pounds or more.

4. In addition to the tax levied pursuant to subdivision A 3, a tax of ~~four~~-six percent of the gross proceeds shall be levied on the rental in Virginia of any daily rental vehicle, whether or not such vehicle is required to be licensed in the Commonwealth.

5. The minimum tax levied on the sale of any motor vehicle in the Commonwealth shall be ~~thirty-five dollars~~ \$35, except as provided by those exemptions defined in § 58.1-2403.

B. A transaction taxed under subdivision A 1 shall not also be taxed under subdivision A 2, nor shall the same transaction be taxed more than once under either subdivision. A motor vehicle subject to the tax imposed under subdivision A 3 shall be subject to the tax under either subdivision A 1 or A 2 when it ceases to be used for rental as an established business or part of an established business, or incidental or germane to such business.

C. Any motor vehicle, trailer or semitrailer exempt from this tax under subdivision 1 or 2 of § 58.1-2403 shall be subject to the tax, based on the current market value when such vehicle is no longer owned, rented or used by the United States government or any governmental agency, or the Commonwealth of Virginia or any political subdivision thereof. Further, any motor vehicle, trailer or semitrailer exempt from the tax imposed by this chapter under subdivision 11 of § 58.1-2403 or §§ 46.2-663 through 46.2-674 shall be subject to the tax, based on the current market value, when such vehicle is subsequently licensed to operate on the highways of this Commonwealth.

D. Any person who with intent to evade or to aid another person to evade the tax provided for herein, falsely states the selling price of a vehicle on a bill of sale, assignment of title, application for title, or any other document or paper submitted to the Commissioner pursuant to any provisions of this title or Title 46.2, shall be guilty of a Class 3 misdemeanor.

E. Effective January 1, 1997, any amount designated as a "processing fee" and any amount charged by a dealer for processing a transaction, which is required to be included on a buyer's order pursuant to subdivision 10 of § 46.2-1530, shall be subject to the tax.

§ 58.1-2425. Disposition of revenues.

A. All funds collected hereunder by the Commissioner shall be forthwith paid into the state treasury. Except as otherwise provided in this section, these funds shall constitute special funds within the Commonwealth Transportation Fund. Any balances remaining in these funds at the end of the year shall be available for use in subsequent years for the purposes set forth in this chapter, and any interest income on such funds shall accrue to these funds. The revenue so derived, after refunds have been deducted, is hereby allocated for the construction, reconstruction and maintenance of highways and the regulation of traffic thereon and for no other purpose. However, (i) all funds collected pursuant to the provisions of this chapter from manufactured homes, as defined in § 46.2-100, shall be distributed to the city, town, or county wherein such manufactured home is to be situated as a dwelling; (ii) all funds ~~collected from the additional generated by a four percent tax imposed by subdivision A 4 of § 58.1-2402~~ on the rental of daily rental vehicles pursuant to subdivision A 4 of § 58.1-2402 shall be distributed quarterly to the city, town, or county wherein such vehicle was delivered to the rentee; (iii) effective January 1, 1987, an amount equivalent to the net additional revenues generated by enactments of the 1986 Special Session of the Virginia General Assembly which amended §§ 46.2-694, 46.2-697, 58.1-2401, 58.1-2402 and this section shall be ~~distributed~~-deposited to and paid into the Transportation Trust Fund established under § 33.1-23.03:1, a special fund within the Commonwealth Transportation Fund, and are hereby appropriated to the Commonwealth Transportation Board for transportation needs; (iv) all funds generated by a two percent tax on the rental of daily rental vehicles pursuant to subdivision A 4 of § 58.1-2402 shall be deposited into the general fund of the state treasury; and (v) except as otherwise provided in clause (iii) of this sentence, all moneys collected from the tax on the gross proceeds from the rental in Virginia of any motor vehicle pursuant to subdivision A 3 of § 58.1-2402 at the tax rate in effect on December 31, 1986, shall be paid by the Commissioner into the state treasury and shall be set aside in a special fund within the Commonwealth Transportation Fund to be used to meet the expenses of the Department of Motor Vehicles.

B. As provided in subsection A of § 58.1-638, of the funds becoming part of the Transportation Trust Fund pursuant to clause (iii) of subsection A of this section, an aggregate of 4.2 percent shall be set aside as the Commonwealth Port Fund; an aggregate of 2.4 percent shall be set aside as the Commonwealth Airport Fund; and an aggregate of 14.5 percent in fiscal year 1998-1999 and 14.7 percent in fiscal year 1999-2000 and thereafter shall be set aside as the Commonwealth Mass Transit Fund.

§ 58.1-3833. County food and beverage tax.

A. Any county is hereby authorized to levy a tax on food and beverages sold, for human consumption, by a restaurant, as such term is defined in subdivision 9 of § 35.1-1, not to exceed ~~eight and one-half percent, when added to the state and local general sales and use tax,~~ *four percent* of the amount charged for such food and beverages. Such tax shall not be levied on food and beverages sold through vending machines or by any person described in subdivisions 1, 2, 3, and 5 of § 35.1-25, as well as nonprofit cafeterias in public schools, nursing homes, and hospitals. Grocery stores and convenience stores selling prepared foods ready for human consumption at a delicatessen counter shall be subject to the tax, for that portion of the grocery store or convenience store selling such items.

This tax shall be levied only if the tax is approved in a referendum within the county which shall be held in accordance with § 24.2-684 and initiated either by a resolution of the board of supervisors or on the filing of a petition signed by a number of registered voters of the county equal in number to 10 percent of the number of voters registered in the county, as appropriate on January 1 of the year in which the petition is filed with the court of such county. The clerk of the circuit court shall publish notice of the election in a newspaper of general circulation in the county once a week for three consecutive weeks prior to the election. If the voters affirm the levy of a local meals tax, the tax shall be effective in an amount and on such terms as the governing body may by ordinance prescribe. If such resolution of the board of supervisors or such petition states for what projects and/or purposes the revenues collected from the tax are to be used, then the question on the ballot for the referendum shall include language stating for what projects and/or purposes the revenues collected from the tax are to be used.

The term "beverage" as set forth herein shall mean alcoholic beverages as defined in § 4.1-100 and nonalcoholic beverages served as part of a meal. The tax shall be in addition to the sales tax currently imposed by the county pursuant to the authority of Chapter 6 (§ 58.1-600 et seq.) of this title. Collection of such tax shall be in a manner prescribed by the governing body.

B. Notwithstanding the provisions of subsection A of this section, any county with a population of at least 70,000 but no more than 100,000, any county with a population of at least 17,910 but no more than 18,000, any county with a population of at least 34,000 but no more than 34,400, and any county having a county manager plan of government are hereby authorized to levy a tax on food and beverages sold for human consumption by a restaurant, as such term is defined in § 35.1-1 and as modified in subsection A above and subject to the same exemptions, not to exceed four percent of the amount charged for such food and beverages, provided that the governing body of the respective county holds a public hearing before adopting a local food and beverage tax, and the governing body by unanimous vote adopts such tax by local ordinance. The tax shall be effective in an amount and on such terms as the governing body may by ordinance prescribe.

C. Nothing herein contained shall affect any authority heretofore granted to any county, city or town to levy a meals tax. The county tax limitations imposed pursuant to § 58.1-3711 shall apply to any tax levied under this section, mutatis mutandis. All food and beverage tax collections and all meals tax collections shall be deemed to be held in trust for the county, city or town imposing the applicable tax. The wrongful and fraudulent use of such collections other than remittance of the same as provided by law shall constitute embezzlement pursuant to § 18.2-111.

D. No county which has heretofore adopted an ordinance pursuant to subsection A of this section shall be required to submit an amendment to its meals tax ordinance to the voters in a referendum.

E. Notwithstanding any other provision of this section, no locality shall levy any tax under this section upon alcoholic beverages sold in factory sealed containers and purchased for off-premises consumption or food purchased for human consumption as "food" is defined in the Food Stamp Act of 1977, 7 U.S.C. § 2012, as amended, and federal regulations adopted pursuant to that act, except for the

following items: sandwiches, salad bar items sold from a salad bar, prepackaged single-serving salads consisting primarily of an assortment of vegetables, and nonfactory sealed beverages.

3. That of the net additional revenues generated by the increases in the taxes under §§ 58.1-801, 58.1-803, 58.1-807, and 58.1-808 of the Code of Virginia pursuant to the second enactment of this act, supplemental deposits to the Revenue Stabilization Fund under § 2.2-1828 of the Code of Virginia shall be made as specified in the Appropriation Act.

4. That the amendments to § 58.1-2402 of the Code of Virginia pursuant to the second enactment of this act shall be applicable only to taxable transactions occurring on or after July 1, 2004.

5. That the provisions of the first enactment of this act shall expire midnight on June 30, 2006. The provisions of all other enactments shall have no expiration date.

6. That this act is effective on July 1, 2004.

On motion of Senator Chichester, the reading of the amendments was waived.

The recorded vote is as follows:

YEAS--35. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Edwards, Hanger, Hawkins, Houck, Howell, Locke, Lucas, Marsh, Martin, Miller, Mims, Newman, Normont, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Saslaw, Stolle, Stosch, Wagner, Wampler, Watkins, Whipple--35.

NAYS--0.

RULE 36--0.

On motion of Senator Chichester, the committee amendments were agreed to.

Senator Cuccinelli offered the following amendment:

1. Page 2, line 31, introduced, after as the
strike

“2004 Appropriations Act.”

insert

“Budget Cuts for Virginia’s Families and Businesses Act of 2004.”

On motion of Senator Cuccinelli, the reading of the amendment was waived.

Senator Cuccinelli moved that the amendment be agreed to.

The question was put on agreeing to the amendment.

The amendment was rejected.

Senator Chichester moved that the Rules be suspended, the engrossment be waived, and the third reading of the title of **S.B. 5001** as required by Article IV, Section 11, of the Constitution, be dispensed with.

The motion was agreed to.

The recorded vote is as follows:

YEAS--35. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Edwards, Hanger, Hawkins, Houck, Howell, Locke, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Saslaw, Stolle, Stosch, Wagner, Wampler, Watkins, Whipple--35.

NAYS--0.

RULE 36--0.

RECONSIDERATION

Senator Norment moved to reconsider the vote by which the Senate waived the engrossment and dispensed with the third reading of the title of **S.B. 5001** (five thousand one).

The motion was agreed to.

The recorded vote is as follows:

YEAS--35. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Edwards, Hanger, Hawkins, Houck, Howell, Locke, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Saslaw, Stolle, Stosch, Wagner, Wampler, Watkins, Whipple--35.

NAYS--0.

RULE 36--0.

RECONSIDERATION

Senator Hawkins moved to reconsider the vote by which the committee amendments to **S.B. 5001** (five thousand one) were agreed to.

The motion was agreed to.

The recorded vote is as follows:

YEAS--35. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Edwards, Hanger, Hawkins, Houck, Howell, Locke, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Saslaw, Stolle, Stosch, Wagner, Wampler, Watkins, Whipple--35.

NAYS--0.

RULE 36--0.

On motion of Senator Chichester, the uncontested committee amendments were agreed to.

Senator Chichester moved that Item 5-0 #1s be agreed to.

The question was put on agreeing to Item 5-0 #1s.

The yeas and nays were called for; and, being desired by one-fifth of the Senators present, the yeas and nays were ordered.

The recorded vote is as follows:

YEAS--24. NAYS--10. RULE 36--1.

YEAS--Bell, Blevins, Chichester, Colgan, Deeds, Edwards, Hanger, Houck, Howell, Locke, Lucas, Marsh, Miller, Mims, Norment, Potts, Puckett, Puller, Quayle, Rerras, Saslaw, Stolle, Wagner, Whipple--24.

NAYS--Bolling, Cuccinelli, Hawkins, Martin, Newman, Obenshain, O'Brien, Reynolds, Wampler, Watkins--10.

RULE 36--Stosch--1.

Item 5-0 #1s was agreed to.

On motion of Senator Chichester, Item 70 #1s and Item 70 #2s were agreed to.

Senator Chichester moved that the Rules be suspended, the engrossment be waived, and the third reading of the title of **S.B. 5001**, as required by Article IV, Section 11, of the Constitution, be dispensed with.

The motion was agreed to.

The recorded vote is as follows:

YEAS--34. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Edwards, Hanger, Hawkins, Houck, Howell, Locke, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Saslaw, Stosch, Wagner, Wampler, Watkins, Whipple--34.

NAYS--0.

RULE 36--0.

Senator Chichester moved that **S.B. 5001** be passed with its title.

PARLIAMENTARY INQUIRY

Senator Cuccinelli propounded a parliamentary inquiry as to whether **S.B. 5001** violated the one object rule in Article IV, Section 12, of the Constitution of Virginia.

The Chair ruled that the matters contained in **S.B. 5001** were germane in accordance with the single object rule in Article IV, Section 12, of the Constitution of Virginia. The Chair stated further that **S.B. 5001** was a revenue bill and therefore required a vote of a majority of the members elected.

Senator Chichester moved that **S.B. 5001** be passed with its title.

Senator Colgan moved the pending question.

The question was put on ordering the pending question.

The recorded vote is as follows:

YEAS--26. NAYS--7. RULE 36--0.

YEAS--Bell, Blevins, Chichester, Colgan, Hanger, Hawkins, Houck, Locke, Lucas, Marsh, Miller, Mims, Newman, Norment, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Saslaw, Stosch, Wampler, Watkins, Whipple--26.

NAYS--Bolling, Cuccinelli, Deeds, Edwards, Howell, Obenshain, Stolle--7.

RULE 36--0.

The pending question was ordered.

The question was put on passing **S.B. 5001** with its title.

S.B. 5001 was passed with its title.

The recorded vote is as follows:

YEAS--27. NAYS--8. RULE 36--0.

YEAS--Blevins, Chichester, Colgan, Deeds, Edwards, Hanger, Hawkins, Houck, Howell, Locke, Lucas, Marsh, Miller, Mims, Norment, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Saslaw, Stolle, Stosch, Wampler, Watkins, Whipple--27.

NAYS--Bell, Bolling, Cuccinelli, Martin, Newman, Obenshain, O'Brien, Wagner--8.

RULE 36--0.

STATEMENT ON VOTE

Senator Lucas stated that she was abstaining pursuant to Rule 36 on Item 326 #3s, Item 326 #7s, Item 326 #8s, Item 326 #41s, Item 326 #46s, Item 326 #47s, Item 326 #49s, Item 332 #2s, and Item 359 #1s, but voting on **S.B. 5001** as a whole.

STATEMENT ON VOTE

Senator Newman stated that he was abstaining pursuant to Rule 36 on Item 312 #1s, Item 326 #10s, and Item 326 #39s, but voting on **S.B. 5001** as a whole.

STATEMENT ON VOTE

Senator Stosch stated that he was abstaining pursuant to Rule 36 on Item 5-0 #1s, but voting on **S.B. 5001** as a whole.

COMMENDING RESOLUTIONS IMMEDIATE CONSIDERATION

Senator Hawkins moved that the Rules be suspended and the following Senate joint resolutions, having been laid on the Clerk's Desk pursuant to Senate Rule 26 (g), be taken up for immediate consideration:

S.J.R. 5001 (five thousand one).

S.J.R. 5002 (five thousand two).

The motion was agreed to.

The recorded vote is as follows:

YEAS--35. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Edwards, Hanger, Hawkins, Houck, Howell, Locke, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Saslaw, Stolle, Stosch, Wagner, Wampler, Watkins, Whipple--35.

NAYS--0.

RULE 36--0.

On motion of Senator Hawkins, the following Senate joint resolutions were ordered to be engrossed and were agreed to en bloc:

S.J.R. 5001 (five thousand one).

S.J.R. 5002 (five thousand two).


On motion of Senator Bell, a leave of absence for the day was granted Senator Devolites.

On motion of Senator Houck, a leave of absence for the day was granted Senator Lambert.

On motion of Senator Miller, a leave of absence for the day was granted Senator Ticer.

On motion of Senator Newman, a leave of absence for the day was granted Senator Williams.

On motion of Senator Chichester, the Senate adjourned until Friday, March 19, 2004, at 12 m.



Timothy M. Kaine
President of the Senate



Susan Clarke Schaar
Clerk of the Senate

FRIDAY, MARCH 19, 2004

The Senate met at 12 m. and was called to order by Lieutenant Governor Timothy M. Kaine.

Nathan Hatfield, Senate Legislative Information Officer and Deacon at First Baptist Church, Hopewell, Virginia, offered the following prayer:

“Let us not be weary in doing good; for at the proper time, we will reap a harvest if we do not give up. Therefore, as we have opportunity, let us do good ...” Galatians 6:9-10

Our most gracious and loving heavenly Father, we come to You today asking that You lead us with Your hand of guidance. Grant these Senators Your strength, wisdom and courage to carry out the business of this great Commonwealth. In God’s name we pray, Amen.

The roll was called and the following Senators answered to their names:

Stosch, Watkins.

Two Senators were present.

On motion of Senator Stosch, the reading of the Journal was waived.

The recorded vote is as follows:
YEAS--2. NAYS--0. RULE 36--0.

YEAS--Stosch, Watkins--2.
NAYS--0.
RULE 36--0.

HOUSE COMMUNICATIONS

The following communications were received and read:

In the House of Delegates
March 18, 2004

THE HOUSE OF DELEGATES HAS AGREED TO THE FOLLOWING HOUSE JOINT RESOLUTIONS:

H.J.R. 5003. On the death of L. Patrick Laing.

H.J.R. 5004. Commending the Altavista High School girls’ basketball team.

H.J.R. 5005. Commending the Altavista High School boys’ basketball team.

THE HOUSE OF DELEGATES HAS AGREED TO THE FOLLOWING SENATE JOINT RESOLUTIONS:

S.J.R. 5001. Commending the Altavista High School boys’ basketball team.

S.J.R. 5002. Commending the Altavista High School girls’ basketball team.

IN WHICH ACTION IT REQUESTS THE CONCURRENCE OF THE SENATE.

/s/ Bruce F. Jamerson
Clerk, House of Delegates

In the House of Delegates
March 19, 2004

THE HOUSE OF DELEGATES HAS PASSED THE FOLLOWING HOUSE BILL:

H.B. 5002. A BILL to amend and reenact § 58.1-609.3 of the Code of Virginia, and to repeal § 58.1-609.6 of the Code of Virginia relating to certain sales and use tax exemptions.

IN WHICH ACTION IT REQUESTS THE CONCURRENCE OF THE SENATE.

/s/ Bruce F. Jamerson
Clerk, House of Delegates


The House joint resolutions, communicated as agreed to by the House of Delegates, were laid on the Clerk's Desk under Senate Rule 26 (g) as follows:

H.J.R. 5003, H.J.R. 5004, and H.J.R. 5005.

The House bill communicated as passed by the House of Delegates, the first reading of its title required by the Constitution having been dispensed with, was referred as follows:

H.B. 5002 was referred to the Committee on Finance.

On motion of Senator Stosch, the Senate adjourned until Sunday, March 21, 2004, at 3:00 p.m.



Timothy M. Kaine
President of the Senate



Susan Clarke Schaar
Clerk of the Senate

SUNDAY, MARCH 21, 2004

The Senate met at 3:00 p.m. and was called to order by Lieutenant Governor Timothy M. Kaine.

Susan Clarke Schaar, Clerk of the Senate and member of Second Baptist Church, Richmond, Virginia, offered the following prayer:

Our invocation today comes from the *Rig Veda*, which is the oldest book of Sanskrit:

Let us be united;
Let us speak in harmony;
Let our minds apprehend alike.
Common be our prayer;
Common be the end of our assembly;
Common be our resolution;
Common be our deliberations.
Alike be our feelings;
Unified be our hearts;
Common be our intentions;
Perfect be our unity. Amen.

The roll was called and the following Senators answered to their names:

Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Martin, Miller, Mims, Norment, Obenshain, Puckett, Puller, Quayle, Rerras, Reynolds, Stolle, Stosch, Wampler, Watkins, Whipple, Williams.

A quorum was present.

After the roll call, Senator Marsh notified the Clerk of his presence.

On motion of Senator Locke, the reading of the Journal was waived.

The recorded vote is as follows:

YEAS--31. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Martin, Miller, Mims, Norment, Obenshain, Puckett, Puller, Quayle, Rerras, Reynolds, Stolle, Stosch, Wampler, Watkins, Whipple, Williams--31.

NAYS--0.

RULE 36--0.

HOUSE COMMUNICATION

The following communication was received:

In the House of Delegates
March 20, 2004

THE HOUSE OF DELEGATES HAS PASSED THE FOLLOWING HOUSE BILL:

H.B. 5001. A BILL for all proposed appropriations of the Budget submitted by the Governor of Virginia in accordance with the provisions of § 2.2-1509, Code of Virginia, to provide a portion of revenues for the two years ending respectively on the thirtieth day of June, 2005, and the thirtieth day of June, 2006, and to amend and reenact §§ 58.1-302, 58.1-320, 58.1-321, 58.1-322, 58.1-391, 58.1-392, 58.1-441, 58.1-603, 58.1-604, 58.1-604.1, 58.1-611.1, 58.1-614, 58.1-615, 58.1-627, 58.1-628, 58.1-639, 58.1-901, 58.1-902, 58.1-1001, 58.1-3524, 58.1-3526, 58.1-3528, 58.1-3531, 58.1-3830, 58.1-3840 and 58.1-3912 of the Code of Virginia, to amend the Code of Virginia by adding in Title 32.1 a chapter numbered 15, consisting of sections numbered 32.1-366 through 32.1-367, to amend the Code of Virginia by adding §§ 58.1-390.1, 58.1-390.2, 58.1-393.1, 58.1-394.2 and 58.1-395, and repealing §§ 58.1-390, 58.1-394, and 58.1-3831 of the Code of Virginia and repealing Chapter 289 of the 1989 Acts of Assembly.

THE HOUSE OF DELEGATES HAS AGREED TO THE FOLLOWING HOUSE JOINT RESOLUTIONS:

H.J.R. 5006. Commending the Forest Park High School girls' basketball team.

H.J.R. 5007. Commending Performance Food Group and Capital Strategies.

IN WHICH ACTION IT REQUESTS THE CONCURRENCE OF THE SENATE.

/s/ Bruce F. Jamerson
Clerk, House of Delegates

On motion of Senator Norment, the Rules were suspended and the reading of the communication from the House of Delegates was waived.

The recorded vote is as follows:
YEAS--29. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Howell, Lambert, Locke, Lucas, Martin, Miller, Mims, Obenshain, Puckett, Puller, Quayle, Rerras, Reynolds, Stolle, Stosch, Wampler, Watkins, Whipple, Williams--29.
NAYS--0.
RULE 36--0.

The House bill communicated as passed by the House of Delegates, the first reading of its title required by the Constitution having been dispensed with, was referred as follows:

H.B. 5001 was referred to the Committee on Finance.

The House joint resolutions, communicated as agreed to by the House of Delegates, were laid on the Clerk's Desk under Senate Rule 26 (g) as follows:

H.J.R. 5006 and **H.J.R. 5007**.

CALENDAR

UNFINISHED BUSINESS—HOUSE

H.J.R. 5002 (five thousand two) was taken up.

On motion of Senator Norment, the Senate insisted on its amendment and respectfully requested a committee of conference.

The recorded vote is as follows:

YEAS--31. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Martin, Miller, Mims, Norment, Obenshain, Puckett, Puller, Quayle, Rerras, Reynolds, Stolle, Stosch, Wampler, Watkins, Whipple, Williams--31.

NAYS--0.

RULE 36--0.

MEMORIAL RESOLUTION

H.J.R. 5003 (five thousand three), on motion of Senator Norment, was agreed to by a unanimous standing vote.

COMMENDING RESOLUTIONS

On motion of Senator Norment, the questions on agreeing to the House joint resolutions that follow were considered en bloc.

On motion of Senator Norment, the following House joint resolutions were taken up and agreed to en bloc:

H.J.R. 5004 (five thousand four).

H.J.R. 5005 (five thousand five).

INTRODUCTION OF LEGISLATION

The following, by leave, were presented and laid on the Clerk's Desk under Senate Rule 26 (g):

S.J.R. 5003. On the death of Edwin Williams Lynch.

Patrons--Puller, Howell and Whipple; Delegates: Albo, Amundson, Callahan, Dillard, Hull, Moran, Petersen, Plum, Reese, Rust, Scott, J.M., Shannon, Sickles and Watts

S.J.R. 5004. Commending the Magna Vista High School girls' basketball team.

Patrons--Reynolds; Delegates: Armstrong, Hurt and Marshall, D.W.

At 3:25 p.m., Senator Norment moved that the Senate recess until 6:45 p.m.

The motion was agreed to.

The hour of 6:45 p.m. having arrived, the Chair was resumed.

COMMITTEE REPORT

The following bills, having been considered by the committee in session, were reported by Senator Chichester from the Committee on Finance:

H.B. 5001 (five thousand one) with amendments.

H.B. 5002 (five thousand two) with substitute.

SUPPLEMENTAL CALENDAR NO. 1

HOUSE BILLS ON SECOND READING

H.B. 5001 (five thousand one), on motion of Senator Norment, was passed by temporarily.

H.B. 5002 (five thousand two) was taken up.

Senator Chichester moved that the Rules be suspended and the second reading of the title of **H.B. 5002** as required by Article IV, Section 11, of the Constitution, be dispensed with.

The motion was agreed to.

The recorded vote is as follows:

YEAS--32. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Martin, Miller, Mims, Norment, Obenshain, Puckett, Puller, Quayle, Rerras, Reynolds, Stolle, Stosch, Wampler, Watkins, Whipple, Williams--32.

NAYS--0.

RULE 36--0.

H.B. 5002 was read by title the third time.

The amendment in the nature of a substitute proposed by the Committee on Finance was offered, having been printed separately, with its title reading as follows:

A BILL to amend and reenact §§ 58.1-609.3 and 58.1-611.1 of the Code of Virginia, relating to certain sales and use tax exemptions.

The reading of the substitute was waived.

Senator Chichester moved that the substitute be agreed to.

RULING OF THE CHAIR

Senator Norment propounded a parliamentary inquiry as to whether the substitute offered by the Committee on Finance to **H.B. 5002** was germane.

The Chair ruled that the substitute offered by the Committee on Finance to **H.B. 5002** was germane.

On motion of Senator Chichester, the substitute was agreed to.

The substitute was ordered to be engrossed.

H.B. 5002, on motion of Senator Chichester, was passed with its title.

The recorded vote is as follows:

YEAS--26. NAYS--4. RULE 36--1.

YEAS--Blevins, Chichester, Colgan, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Locke, Lucas, Marsh, Miller, Mims, Norment, Puckett, Quayle, Rerras, Reynolds, Stolle, Stosch, Wampler, Watkins, Whipple, Williams--26.

NAYS--Bolling, Cuccinelli, Martin, Obenshain--4.

RULE 36--Lambert--1.

H.B. 5001 (five thousand one) was taken up.

Senator Chichester moved that the Rules be suspended and the second reading of the title of **H.B. 5001** as required by Article IV, Section 11, of the Constitution, be dispensed with.

The recorded vote is as follows:

YEAS--32. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Martin, Miller, Mims, Norment, Obenshain, Puckett, Puller, Quayle, Rerras, Reynolds, Stolle, Stosch, Wampler, Watkins, Whipple, Williams--32.

NAYS--0.

RULE 36--0.

H.B. 5001 was read by title the third time.

The following amendments proposed by the Committee on Finance were offered:

Revenues	Item 0 #2s
Revenues	Language

Language:

Item 0, strike lines 3 through 10, and insert:

“A BILL to appropriate the public revenue for the two years ending respectively on the thirtieth day of June 2005, and the thirtieth day of June 2006, to provide a portion of such revenues, and to amend and re-enact §§ 10.1-1020, 10.1-2128, 10.1-2133, 58.1-302, 58.1-320, 58.1-321, 58.1-322, 58.1-324, 58.1-339.8, 58.1-341, 58.1-391, 58.1-392, 58.1-402, 58.1-415, 58.1-441, 58.1-520, 58.1-603, 58.1-604, 58.1-604.1, 58.1-608.3, 58.1-609.3, 58.1-611.1, 58.1-614, 58.1-615, 58.1-627, 58.1-628, 58.1-638, 58.1-639, 58.1-801, 58.1-803, 58.1-807, 58.1-808, 58.1-815, 58.1-816, 58.1-901, 58.1-902, 58.1-1001, 58.1-1009, 58.1-1018, 58.1-2402, 58.1-2425, and 58.1-3833 of the Code of Virginia, to amend the Code of Virginia by adding in Title 10.1 a chapter numbered 21.2 consisting of a section numbered 10.1-2135, by adding in Title 32.1 a chapter numbered 15 consisting of sections numbered 32.1-366 and 32.1-367, by adding sections numbered 58.1-390.1, 58.1-390.2, and 58.1-393.1, by adding in Article 9 of Chapter 3 of Title 58.1 sections numbered 58.1-394.1, 58.1-394.2, and 58.1-395, and by adding in Chapter 10 of Title 58.1 an article numbered 2.1 consisting of sections numbered 58.1-1021.01 through 58.1-1021.05.”

Revenues	Item 0 #3s
Revenues	Language

Language:

Page 1, strike lines 28 through 34 and insert:

	First Year	Second Year	Total
Unreserved Balance, June 30, 2004	\$232,861,556	\$0	\$232,861,556
Additions to Balance	(\$500,000)	(\$500,000)	(\$1,000,000)
Official Revenue Estimates	\$13,034,257,782	\$13,766,304,591	\$26,800,562,373
Lottery Proceeds Fund	\$395,000,000	\$402,000,000	\$797,000,000
Transfers	\$93,866,289	\$94,910,681	\$188,776,970
Total General Fund Resources Available for Appropriation	\$13,755,485,627	\$14,262,715,272	\$28,018,200,899

Page 1, strike lines 37 through 42 and insert:

	First Year	Second Year	Total
Balance, June 30, 2004	\$1,854,347,481	\$0	\$1,854,347,481
Official Revenue Estimates	\$15,206,181,319	\$16,062,482,245	\$31,268,663,564
Bond Proceeds	\$984,242,290	\$111,663,475	\$1,095,905,765
Total Nongeneral Fund Revenue Available for Appropriation	\$18,044,771,090	\$16,174,145,720	\$34,218,916,810
TOTAL PROJECTED REVENUE	\$31,800,256,717	\$30,436,860,992	\$62,237,117,709

Legislative Department
 Auditor Of Public Accounts

Item 2 #1s
 Language

Language:

Page 8, following line 13, insert:

“The Auditor of Public Accounts shall review the operations of the State Comptroller as they relate to the Commonwealth's financial accounting and control operations. The Secretary of Finance, State Comptroller, State Treasurer, Director of Planning and Budget and the Chief Information Officer will all provide any assistance and cooperation necessary for the Auditor to conduct this review. In conducting the review, the Auditor shall determine the factors that have led to the current structure of the Commonwealth's financial accounting and control operations, the Comptroller's responsibility for financial and internal controls, the impact of decentralization on the financial structure and internal controls, and whether the Commonwealth has a modern financial system and structure. Additionally, Auditor of Public Accounts shall provide the Chairmen of the Senate Finance Committee, the House Appropriations Committee and the House Finance Committee an assessment of information available to them, and how any changes in the Commonwealth's financial accounting and control operations could enhance their oversight and what resources would be necessary to accomplish this function. The Auditor shall submit a planning document to the Chairmen of Senate Finance and House Appropriations and Finance Committees outlining the scope of this review by July 15, 2004. A preliminary report of initial findings, recommendations and issues shall be

available to the Governor and the General Assembly by December 1, 2004, and a final report by November 15, 2005 with recommendations for proposed budgetary and statutory changes.”

Legislative Department Item 2 #2s
 Auditor Of Public Accounts Language

Language:

Page 8, following line 13, insert:

“The Auditor of Public Accounts shall conduct an audit to determine the amount of deferred maintenance costs in the Commonwealth in accordance with Item C-194.20 of this Act. The Auditor shall use the funding provided in Item C-194.20 of this Act to assist agencies and institutions to acquire the software and training necessary to accumulate the information to perform the audit.”

Legislative Department Item 10 #1s
 Dr. Martin Luther King, Jr. Memorial FY 04-05
 Commission \$10,000 FY 05-06
\$10,000 GF

Language:

Page 10, line 26, strike “\$40,000” and insert “\$50,000”.
 Page 10, line 26, strike “\$40,000” and insert “\$50,000”.

Legislative Department Item 11 #1s
 Joint Commission On Health Care Language

Language:

Page 10, after line 37, insert:

“The Joint Commission on Health Care should support the continuation of state funding of local initiatives to address the needs of adults and juveniles with mental health, mental retardation, or co-occurring disorders who come into contact with the criminal justice system.”

Legislative Department Item 13 #1s
 Commissioners For Promotion Of FY 04-05
 Uniformity Of Legislation \$21,000 FY 05-06
\$23,000 GF

Language:

Page 11, line 16, strike “\$39,500” and insert “\$60,500”.
 Page 11, line 16, strike “\$39,500” and insert “\$62,500”.

Legislative Department Item 18 #1s
 Virginia Crime Commission FY 04-05
\$88,772 FY 05-06
\$88,772 GF

Language:

Page 12, line 22, strike “\$500,436” and insert “\$589,208”.
 Page 12, line 22, strike “\$500,436” and insert “\$589,208”.

Legislative Department Item 18 #2s
 Virginia Crime Commission Language

Language:

Page 12, line 27, insert:

“The Virginia Crime Commission shall examine the statutory basis for computer crimes in the Code of Virginia, including a determination of the appropriate definitions and elements constituting offenses in this area.”

Legislative Department			Item 23 #1s
Legislative Department Reversion	FY 04-05	FY 05-06	
Clearing Account	(\$300,000)	(\$300,000)	GF

Language:

Page 14, line 38, strike “(\$547,000)” and insert “(\$847,000)”.

Page 14, line 38, strike “(\$547,000)” and insert “(\$847,000)”.

Judicial Department			Item 26 #1s
Supreme Court			
			Language

Language:

Page 17, lines 11-13, strike “in lieu of travel and all other expenses incurred incident to the conduct of the business of the Court, except lodging expenses incurred while conducting the business of the Court,” and insert “for expenses not otherwise reimbursed.”

Judicial Department			Item 31 #1s
Court Of Appeals Of Virginia			
			Language

Language:

Page 18, lines 29-32, strike “in lieu of travel and all other expenses incurred incident to the conduct of the business of the Court, except lodging expenses incurred while conducting the business of the Court,” and insert “for expenses not otherwise reimbursed.”

Judicial Department			Item 32 #2s
Circuit Courts	FY 04-05	FY 05-06	
	\$1,065,645	\$1,045,645	GF
	5.00	5.00	FTE

Language:

Page 19, line 2, strike “\$75,756,553” and insert “\$76,822,198”.

Page 19, line 2, strike “\$79,070,327” and insert “\$80,115,972”.

Judicial Department			Item 32 #3s
Circuit Courts	FY 04-05	FY 05-06	
	(\$250,000)	(\$400,000)	GF

Language:

Page 19, line 2, strike “\$75,756,553” and insert “\$75,506,553”.

Page 19, line 2, strike “\$79,070,327” and insert “\$78,670,327”.

Judicial Department			Item 33 #1s
General District Courts	FY 04-05	FY 05-06	
	\$385,870	\$380,870	GF
	2.00	2.00	FTE

Language:

Page 20, line 2, strike "\$75,218,062" and insert "\$75,603,932".
 Page 20, line 2, strike "\$75,218,062" and insert "\$75,598,932".

Judicial Department			Item 33 #2s
General District Courts	FY 04-05	FY 05-06	
	\$1,500,000	\$1,796,812	GF
	49.00	49.00	FTE

Language:

Page 20, line 2, strike "\$75,218,062" and insert "\$76,718,062".
 Page 20, line 2, strike "\$75,218,062" and insert "\$77,014,874".

Judicial Department			Item 39 #1s
Public Defender Commission	FY 04-05	FY 05-06	
	\$258,542	\$355,770	GF
	4.00	6.00	FTE

Language:

Page 25, line 33, strike "\$23,678,918" and insert "\$23,937,460".
 Page 25, line 33, strike "\$23,693,663" and insert "\$24,049,433".
 Page 33, line 32, strike "PUBLIC DEFENDER COMMISSION" and insert:
 "INDIGENT DEFENSE COMMISSION"
 Page 33, line 39, strike "Public Defender Commission" and insert:
 "Indigent Defense Commission"

Judicial Department			Item 39 #3s
Public Defender Commission	FY 04-05	FY 05-06	
	\$2,930,551	\$3,204,386	GF
	49.25	49.25	FTE

Language:

Page 25, line 33, strike "\$23,678,918" and insert "\$26,609,469".
 Page 25, line 33, strike "\$23,693,663" and insert "\$26,898,049".

Judicial Department			Item 39 #4s
Public Defender Commission	FY 04-05	FY 05-06	
	\$402,100	\$0	GF

Language:

Page 25, line 33, strike "\$23,678,918" and insert "\$24,081,018".

Judicial Department			Item 39 #5s
Public Defender Commission	FY 04-05	FY 05-06	
	\$206,723	\$185,503	GF

Language:

Page 25, line 33, strike "\$23,678,918" and insert "\$23,885,641".
 Page 25, line 33, strike "\$23,693,663" and insert "\$23,879,166".

Judicial Department			Item 41 #1s
Virginia State Bar	FY 04-05	FY 05-06	
	\$800,000	\$800,000	GF

Language:

Page 26, line 14, strike "\$5,423,515" and insert "\$6,223,515".

Page 26, line 14, strike "\$5,423,515" and insert "\$6,223,515".

Executive Offices

Attorney General And Department Of
Law

FY 04-05
\$500,000

FY 05-06
\$500,000

Item 51 #1s

NGF

Language:

Page 30, line 27, strike "\$1,938,429" and insert "\$2,438,429".

Page 30, line 27, strike "\$1,938,429" and insert "\$2,438,429".

Page 30, line 32, strike "750,000" and insert "1,250,000".

Page 30, line 33, strike "750,000" and insert "1,250,000".

Page 30, strike line 34 and insert "Regulatory, Consumer Advocacy, Litigation, and Enforcement Revolving Trust".

Page 30, line 36, after "1994" insert "and amended herein".

Page 30, line 37, after "fees" insert "civil penalties,".

Page 30, line 40, after "litigation" insert:

"or enforcement efforts pursuant to Article 5 (Section 3.1-336.1 et seq.) and Article 6 (Section 3.1-336.3 et seq.) of Chapter 18 of Title 3.1 of the Code of Virginia. In addition, the Department of Law is authorized to deposit to the Fund any attorneys' fees which from time to time may be obtained."

Page 30, line 43, strike "750,000" and insert "1,250,000".

Page 30, line 45, after "fund." insert:

"In addition to the uses of the Fund permitted by Item 48 of Chapter 966 of the Acts of Assembly of 1994, a portion of the Fund not to exceed \$500,000 may be used to pay costs associated with enforcement efforts pursuant to Article 5 (Section 3.1-336.1 et seq.) and Article 6 (Section 3.1-336.3 et seq.) of Chapter 18 of Title 3.1 of the Code of Virginia, costs associated with litigation initiated by the Office of the Attorney General, and costs associated with civil commitment procedures pursuant to Article 1.1 (Section 37.1-70.1 et seq.) of Chapter 2 of Title 37.1 of the Code of Virginia."

Executive Offices

Division Of Debt Collection

Item 53 #3s

Language

Language:

Page 31, line 29, after "\$1,000." insert:

"Notwithstanding any provision of the Code of Virginia, the University of Virginia Medical Center shall be exempt from participating in the Office of the Attorney General's debt collection process, provided that the University demonstrates to the Secretary of Finance that a change in the debt collection agent is cost effective, in which case the University of Virginia shall have the authority to collect its Medical Center accounts receivable by engaging private collection agents and attorneys to pursue collection actions, and to compromise, settle, and discharge Medical Center accounts receivable claims."

Executive Offices

Division Of Debt Collection

Item 53 #5s

Language

Language:

Page 31, strike lines 24-33 and insert:

“A.1. For collection of accounts receivable of \$3,000 or more that are 60 days or more past due, each state agency and institution shall forward those claims to the Office of Attorney General, Division of Debt Collection for collection. The Attorney General shall review forwarded accounts, determine the appropriate collection efforts if any, for each account, and take such actions on the accounts as he may so determine.

2. For collection of accounts receivable under \$3,000 that are 60 days or more past due, each agency and institution shall contract with a private collection agency for the collection of those debts. Prior to referring accounts receivable of less than \$3,000, agencies and institutions may refer such accounts to the Office of the Attorney General, Division of Debt Collection. The Attorney General may accept the account for collection or return it to the agency or institution for collection by a private collection agency.

B.1. There is hereby created on the books of the Comptroller a special nonreverting fund known as the “Debt Collection Recovery Fund.” The Division of Debt Collection shall deposit to the Fund all revenues generated by it from receivables collected on behalf of state agencies. This provision shall apply whether such payment is made directly to the affected agency or to the Office of the Attorney General. Amounts collected from receivables in trust or federal funds, however, shall be returned to such funds.

2. The Secretary of Finance may make exemptions from the required deposits to the Fund, as specified in B.1. above, upon his determination that such collections are more appropriately returned to the fund source in which such receivables are due. Any such exemptions shall be reported to the Chairmen of the Senate Finance and House Appropriations Committees within 30 days of such approval.

3. From the amounts deposited into the Fund, 30 percent, not to exceed \$1,800,000 in any fiscal year, shall be paid to the Division of Debt Collection.

4. Thirty percent shall be returned to the state agency for which the claim was collected. Out of the balance in the Fund, the State Comptroller shall transfer up to \$3,454,000 to the general fund on or before June 30, 2005, and up to \$3,444,000 on or before June 30, 2006. Any amount in excess of the transfer which remains in the Debt Collection Recovery Fund each year after the transfer shall be returned on a pro rata basis to all state agencies having claims collected by the Division of Debt Collection during the course of the year, to the extent that such collections contributed to the balance in the Fund.

5. The Division of Debt Collection of the Office of the Attorney General and the Department of Accounts shall promulgate rules necessary to implement these provisions.”

Administration
 Secretary Of Administration

Item 58 #1s

Language

Language:

Page 34, following line 5, insert:

“A. The Secretary of Administration and the Secretary of Education shall rely on the advice of a third party professional engineer with experience in the field of building environmental controls to make a definitive recommendation on the management of the environmental controls for the Library of Virginia. The Secretaries shall report their recommendations to the Governor and the Chairmen of the Senate Finance Committee and the House Appropriations Committee no later than August 1, 2004.

B. No later than August 1, 2004 the Attorney General shall take such legal action as is necessary to achieve an equitable resolution for the Commonwealth with regard to the serious environmental control issues in the Library of Virginia.”

Administration			Item 62 #1s
Commonwealth Competition Council	FY 04-05	FY 05-06	
	(\$262,297)	(\$262,297)	GF
	-3.00	-3.00	FTE

Language:

Page 35, line 40, strike “\$262,297” and insert “\$0”.

Page 35, line 40, strike “\$262,297” and insert “\$0”.

Page 35, strike lines 39 through 50.

Page 36, strike lines 1 through 26.

Administration			Item 63 #1s
Compensation Board			
			Language

Language:

Page 37, line 6, strike “9,698” and “9,781” and insert “9,699” and “9,782”.

Page 37, line 14, strike “507” and insert “506”.

Page 37, line 15, strike “550” and insert “549”.

Administration			Item 63 #3s
Compensation Board			
			Language

Language:

Page 37, line 11, strike “1,080” and “1,080” and insert “1,403” and “1,403”.

Administration			Item 64 #2s
Compensation Board			
			Language

Language:

Page 40, line 54, strike:

“\$95,528” “\$95,528” “\$98,394” and insert “\$97,677” “\$97,677” “\$100,607”.

Administration			Item 64 #3s
Compensation Board			
			Language

Language:

Page 45, strike line 26 and insert:

“Financial Assistance for Administration (xxx) ... \$9,486,236 \$9,486,236

Financial Assistance for Local Law Enforcement ... \$247,393,166 \$249,610,616”

Administration			Item 65 #1s
Compensation Board	FY 04-05	FY 05-06	
	\$284,043	\$239,091	GF

Language:

Page 43, line 20, strike "\$43,866,915" and insert "\$44,150,958".
Page 43, line 20, strike "\$43,866,915" and insert "\$44,106,006".

Administration Item 65 #4s
Compensation Board Language

Language:

Page 45, strike line 26 and insert:
"Financial Assistance for Administration (xxx) ... \$12,617,317 \$12,617,317
Financial Assistance for Local Attorneys
For the Commonwealth \$31,249,599 \$31,249,599".

Administration Item 66 #1s
Compensation Board FY 04-05 FY 05-06 GF
\$14,000 \$14,000

Language:

Page 45, line 15, strike "\$39,514,522" and insert "\$39,528,522".
Page 45, line 15, strike "\$39,514,522" and insert "\$39,528,522".
Page 45, line 32, strike "100,000-249,999" and insert "100,000-174,999".
Page 45, following line 32, insert "175,000-249,999 \$110,302 \$110,302 \$117,090".

Administration Item 66 #3s
Compensation Board FY 04-05 FY 05-06 NGF
\$5,295,183 \$5,295,183

Language:

Page 45, line 15, strike "\$39,514,522" and insert "\$44,809,705".
Page 45, line 15, strike "\$39,514,522" and insert "\$44,809,705".
Page 45, strike line 16 and insert:
"Financial Assistance for Administration (xxx) ... \$10,468,619 \$10,468,619
Financial Assistance for Circuit Court Services .. \$24,581,061 \$24,581,061
Financial Assistance for Maintenance of Local Land Records \$9,760,025 \$9,760,025"
Page 46, line 55, strike "\$1,489,213" and "\$1,489,213" and insert "\$9,760,025" and "\$9,760,025"
Page 46, line 56, strike "operating".
Page 47, strike line 1 and insert:
"personal services to process land records in accordance with the Board's staffing standards."

Administration Item 67 #3s
Compensation Board FY 04-05 FY 05-06 GF
\$13,200,000 \$13,200,000

Language:

Page 47, line 10, strike "\$62,303,558" and insert "\$75,503,558".
Page 47, line 10, strike "\$66,137,960" and insert "\$79,337,960".

Administration Item 69 #1s
Compensation Board FY 04-05 FY 05-06 GF
\$85,515 \$192,486

Language:

Page 51, line 43, strike "\$21,801,282" and insert "\$21,886,797".

Page 51, line 43, strike "\$21,801,282" and insert "\$21,993,768".

Page 53, line 3, at the end of the line, insert a new paragraph D as follows:

"D.1. Out of the amounts in this Item shall be provided \$85,515 in the first year and \$192,486 in the second year from the general fund for the Compensation Board to implement a Deputy Treasurers' Career Development Plan. The Compensation Board shall adopt minimum criteria for the Deputy Treasurers' Career Development Plan by July 15, 2004. The minimum criteria shall include initial and continuing education requirements for the Deputy Treasurers and performance criteria. The Compensation Board shall submit the minimum criteria for Deputy Treasurers' Career Development Plan to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than August 15, 2004.

2. For each Deputy Treasurer selected by the Treasurer for participation in the Career Development Program, the Compensation Board shall increase the annual salary established for that position by 9.3 per cent, effective December 1, following receipt of the Treasurer's certification that the minimum requirements of the Deputy Treasurers' Career Development Program have been met, and provided that such certification is submitted by the Treasurer as part of the annual budget request to the Compensation Board on February 1st of each year. The first period for Treasurers to make this certification and select Deputy Treasurers for participation in the Career Development Program will be on the budget request submitted to the Compensation Board on or before February 1, 2004, for a salary increase effective date of December 1, 2004. Subsequent new certifications and selections for participation will occur each year as a part of the annual budget request submission on or before February 1st of each year, for an effective date of salary increase of the following December 1st."

Administration			Item 69 #2s
Compensation Board	FY 04-05	FY 05-06	
	(\$5,536,713)	(\$5,536,713)	GF

Language:

Page 51, line 43, strike "\$21,801,282" and insert "\$16,264,569".

Page 51, line 43, strike "\$21,801,282" and insert "\$16,264,569".

Page 45, strike line 26 and insert:

"Financial Assistance for Administration (xxx) ...	\$7,860,338	\$7,860,338
Financial Assistance for Treasurers	\$7,384,347	\$7,384,347
Financial Assistance for State Tax Services	\$1,019,884	\$1,019,884"

Administration			Item 69.10 #1s
Compensation Board	FY 04-05	FY 05-06	
	\$5,536,713	\$5,536,713	GF

Language:

Page 53, following line 3, insert:

"69.10. Revenue Administration Services (73210)	\$5,536,713	\$5,536,713
Fund Sources: General	\$5,536,713	\$5,536,713."
Financial Assistance for Administration (xxx) ...	\$515,271	\$515,271
Financial Assistance to Local Directors of Finance	\$5,021,442	\$5,021,442"

Administration			Item 70 #1s
Compensation Board	FY 04-05	FY 05-06	
	\$97,161	\$238,840	GF

Language:

Page 53, line 4, strike "\$16,076,334" and insert "\$16,173,495".

Page 53, line 4, strike "\$16,076,334" and insert "\$16,315,174".

Page 53, following line 27, insert:

"C.1. Out of the amounts in this Item shall be provided \$76,888 in the first year and \$185,909 in the second year from the general fund for the Compensation Board to establish a Commissioners' Career Development Plan. The Compensation Board shall adopt minimum criteria for the Commissioners of the Revenue Career Development Plan by August 1, 2004. The minimum criteria shall include initial and continuing education requirements for the Commissioners of the Revenue and Deputy Commissioners of the Revenue; specify the base duties, state income tax duties, and real estate services performed by Commissioners to be considered as part of the Career Development Plan; and the adoption of certain Standards of Accountability to be attained by the Commissioners of the Revenue with respect to how the Commissioners' offices are managed and operated. The Compensation Board shall submit the minimum criteria for Commissioners of the Revenue Career Development Plan to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than August 15, 2004.

2. Following receipt of the Commissioner's certification that the minimum requirements of the Commissioners of the Revenue Career Development Plan have been met, and provided that such certification is received by the Compensation Board on or before November 1, 2004, the Compensation Board shall increase the annual salary shown in Paragraph A of this Item by the amount shown herein for a 12-month period effective December 1, 2004. Subsequent certifications shall be submitted by Commissioners of the Revenue as part of their annual budget request to the Compensation Board on February 1 of each year, with the salary increase becoming effective on the following December 1st for a 12-month period. The salary supplement will be based upon the levels of service offered by the Commissioner of the Revenue for his/her locality and will be in accordance with the following schedule:

- a. 4.7 per cent increase for all Commissioners of the Revenue who certify their compliance with the established minimum criteria for the Commissioners of the Revenue Career Development Plan;
- b. 2.3 per cent additional increase for all Commissioners of the Revenue who certify their compliance with the established minimum criteria for the Commissioners of the Revenue Career Development Plan and provide State Income Tax or Real Estate services as described in the minimum criteria for the Commissioners of the Revenue Career Development Plan; and
- c. 2.3 per cent additional increase for all Commissioners of the Revenue who certify their compliance with the established minimum criteria for the Commissioners of the Revenue Career Development Plan and provide State Income Tax and Real Estate services, as described in the minimum criteria for the Commissioners of the Revenue Career Development Plan.

D.1. Out of the amounts in this Item shall be provided \$20,273 in the first year and \$52,571 in the second year from the general fund for the Compensation Board to implement a Deputy Commissioners' Career Development Plan. The Compensation Board shall adopt minimum criteria for the Deputy Commissioners' Career Development Plan by July 15, 2004. The minimum criteria shall include initial and continuing education requirements for the Deputy Commissioners of the Revenue; specify the base duties, state income tax duties, and real estate services performed by Commissioners' offices to be considered as part of the Career Development Plan; and the adoption of certain Standards of Accountability to be attained by the Deputy Commissioners of the Revenue. The Compensation Board shall submit the minimum criteria for Deputy Commissioners of the Revenue Career Development Plan to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than August 15, 2004.

2. For each Deputy Commissioner selected by the Commissioner of the Revenue for participation in the Career Development Plan, the Compensation Board shall increase the annual salary established for that position by 9.3 per cent effective December 1, following receipt of the Commissioner of the Revenue's certification that the minimum requirements of the Deputy Commissioners' Career Development Plan have been met, and provided that such certification is submitted by the Commissioner of the Revenue as part of the annual budget request to the Compensation Board on February 1st of each year. The first period for Commissioners of the Revenue to make this certification and select deputy commissioners for participation in the Career Development Plan will

be on the budget request submitted to the Compensation Board on or before February 1, 2004, for a salary increase effective date of December 1, 2004. Subsequent new certifications and selections for participation will occur each year as a part of the annual budget request submission on or before February 1st of each year, for an effective date of salary increase of the following December 1st.”.

Administration Item 70 #2s
Compensation Board Language

Language:

Page 45, strike line 26 and insert:

“Financial Assistance for Administration (xxx) ...	\$7,485,578	\$7,485,578
Financial Assistance for Local		
Commissioners of the Revenue	\$8,371,660	\$8,371,660
Financial Assistance for State Tax Services	\$219,096	\$219,096”.

Administration Item 78 #1s
Department Of General Services Language

Language:

Page 57, after line 19, insert:

“D. The Department of Accounts shall provide a treasury loan of up to \$5,000,000 to the Department of General Services to support expansion and the department's overview of the statewide Virginia Partners in Procurement (VaPP) spend management program for the purpose of creating savings for the Commonwealth's agencies and institutions by collaborating in areas where there is an overlap in purchasing. Such loan shall bear interest at a rate equal to the general fund composite investment rate and shall be repaid no later than June 30, 2008. Funding for repayment of this loan will be from rebates or surcharges collected and/or fees added to the statewide spend management contracts. The General Assembly strongly encourages all state agencies and institutions of higher education to participate in the statewide spend management program authorized in this item.”

Administration Item 79 #1s
Department Of General Services Language

Language:

Page 58, line 8, strike the first “\$200,000” and insert “\$158,513”.

Page 58, line 8, strike the second “\$200,000” and insert “\$158,513”.

Page 58, line 12, insert:

“Notwithstanding any other provision of law, the FY 2005 and FY 2006 service charge payment to the City of Richmond for the Museum of Fine Arts shall not exceed the amount listed in this item.”

Administration Item 79 #2s
Department Of General Services Language

Language:

Page 57, line 42, strike “\$23,171,209” and insert “\$23,562,008”.

Page 57, line 43, strike "\$23,571,669" and insert "\$24,028,797."

Administration Item 79 #4s
Department Of General Services

Language

Language:

Page 57, following line 43, insert:

"2. The internal service fund shall assess a special fee sufficient to meet the funding requirements of Virginia Public Building Authority's Capital Repairs and Improvement Revolving Fund. The internal service fund shall transfer these funds to the Treasury Board for payment into the Virginia Public Building Authority's Capital Repairs and Improvement Revolving Fund; none of these funds may be used for debt service related to any outstanding bonds. Should the internal fund borrow moneys from the Virginia Public Building Authority's Capital Repairs and Improvement Revolving Fund, the rates of the fund shall be sufficient to repay any borrowing with interest."

Administration Item 90 #1s
Department Of Veterans Services

Language

Language:

Page 62, line 36, following "Charlottesville" strike ", is contingent upon the".

Page 62, strike lines 37 to 39.

Administration Item 94 #1s
State Board Of Elections

Language

Language:

Page 63, line 44, following "recent" insert "provisional".

Administration Item 94 #2s
State Board Of Elections

Language

Language:

Page 64, line 30, following "registrar" strike "by an amount up to 10 percent of the annual compensation set for the general registrar pursuant to this act."

Commerce And Trade Item 95 #2s
Secretary Of Commerce And Trade

Language

Language:

Page 68, after line 55, insert:

"C. Notwithstanding other provisions of this Act or the Code of Virginia, when assessing qualified applications for assistance, the highest priority for awards made under the Governor's Development Opportunity Fund, the various workforce services programs administered by the Department of Business Assistance, the small business incubator program, or the financial assistance programs administered by the Virginia Small Business Financing Authority shall be to applicants from economically distressed areas of the Commonwealth. Economic distressed areas are localities that (1) have average unemployment rates using the most recent 6-month average that are 200 percent higher than the most recent 6-month statewide average unemployment rate or (2) are within

planning districts that have average unemployment rates for the most recent 6-month average that are at least one and one-half percent greater than the most recent 6-month statewide average.”

Commerce And Trade

Item 97 #2s

Department Of Agriculture And Consumer Services

Language

Language:

Page 69, line 22, insert “A.” before “All”.

Page 69, after line 23, insert:

“B. The department shall work with the Secretary of Commerce and Trade to develop performance goals and strategies to measure the impact of the department's activities in these areas: (1) marketing and promoting of products; (2) food safety and inspection services; (3) animal industry veterinary services and diagnostic laboratory services; and (4) plant pest and disease control services. The department shall submit these goals and measures by December 1, 2004, to the Chairmen of the Senate Finance and House Appropriations Committees. In addition, it is the intent of the General Assembly that the department incorporate these performance goals and strategies in budget amendments for review and approval by the 2005 Session.”

Commerce And Trade

Item 99 #4s

Department Of Agriculture And Consumer Services

Language

Language:

Page 70, line 40, strike “D.” and insert “D.1.”.

Page 70, line 43, strike “Winegrowers Advisory Board” and insert “Wine Board”.

Page 70, after line 44, insert:

“2. The Department of Alcoholic Beverage Control shall work with the Virginia Wine Board to report on the sales of Virginia-produced wines in the Commonwealth. The Virginia Wine Board shall report by January 12, 2005, to the Chairmen of the Senate Committees on Finance and Agriculture, Conservation and Natural Resources and to the Chairmen of the House Committees on Appropriations and Agriculture, Chesapeake and Natural Resources on the amount of sales and tax dollars derived from the sales of Virginia wines.”

Commerce And Trade

Item 99 #5s

Department Of Agriculture And
Consumer Services

FY 04-05
\$110,000
2.00

FY 05-06
\$110,000
2.00

GF
FTE

Language:

Page 69, line 30, strike “\$4,636,361” and insert “\$4,746,361”.

Page 69, line 30, strike “\$4,636,361” and insert “\$4,746,361”.

Commerce And Trade

Item 99 #6s

Department Of Agriculture And
Consumer Services

FY 04-05
\$100,000

FY 05-06
\$0

GF

Language:

Page 69, line 30, strike "\$4,636,361" and insert "\$4,736,361".

Commerce And Trade			Item 95.1 #2s
Secretary Of Commerce And Trade	FY 04-05	FY 05-06	
	\$150,000	\$150,000	GF
	1.00	1.00	FTE

Language:

Page 69, after line 3, insert:

"95.1. Administrative and Support Services General Management and Direction Fund Sources: General	\$150,000	\$150,000	
	\$150,000	\$150,000."	

"Contingent upon passage of Senate Bill 543 by the 2004 Session of the General Assembly, the Governor shall transfer one position and requisite funding from the Department of Agriculture and Consumer Services and one position and requisite funding from the Office of the Secretary of Commerce and Trade to the Office of the Secretary of Agriculture and Forestry."

Commerce And Trade			Item 102 #3s
Department Of Agriculture And Consumer Services	FY 04-05	FY 05-06	
	\$100,000	\$0	GF

Language:

Page 71, line 36, strike "\$3,667,962" and insert "\$3,767,962".

Commerce And Trade			Item 104 #1s
Department Of Agriculture And Consumer Services			Language

Language:

Page 72, line 9, insert "A.1." before "Notwithstanding".

Page 72, after line 14, insert:

"2. However, any such entity that is subject to any permit fee, application fee, inspection fee, or similar fee, imposed by any locality shall not be subject to this registration fee."

Commerce And Trade			Item 104 #3s
Department Of Agriculture And Consumer Services	FY 04-05	FY 05-06	
	\$0	(\$500,000)	NGF

Language:

Page 72, line 1, strike "\$2,243,624" and insert "\$1,743,624".

Page 72, line 9, before "Notwithstanding", insert "A."

Page 72, line 11, after "\$9", insert "the first year and \$4 the second year".

Page 72, after line 14, insert:

"B. By December 30, 2004, the department shall report to the Chairmen of the Senate Finance and Agriculture, Conservation and Natural Resources Committees, and House Appropriations and Agriculture, Chesapeake and Natural Resources Committees on the number of devices by type, which are subject to the fee requirement."

Commerce And Trade			Item 107 #2s
Department Of Business Assistance	FY 04-05	FY 05-06	
	\$150,000	\$150,000	GF
	2.00	2.00	FTE

Language:

Page 73, line 18, strike "\$11,966,255" and insert "\$12,116,255".

Page 73, line 18, strike "\$11,966,255" and insert "\$12,116,255".

Commerce And Trade			Item 107 #3s
Department Of Business Assistance	FY 04-05	FY 05-06	
	\$300,000	\$0	GF

Language:

Page 73, line 18, strike "\$11,966,255" and insert "\$12,266,255".

Commerce And Trade			Item 107 #4s
Department Of Business Assistance	FY 04-05	FY 05-06	
	\$0	(\$148,700)	GF

Language:

Page 73, line 18, strike "\$11,966,255" and insert "\$11,817,555".

Page 73, line 36, strike "and".

Page 73, line 37, strike "\$148,700 the second year".

Commerce And Trade			Item 107 #5s
Department Of Business Assistance	FY 04-05	FY 05-06	
	\$534,605	\$563,571	GF
	\$1,065,924	\$1,065,924	NGF
	24.00	24.00	FTE

Language:

Page 73, line 18, strike "\$11,966,255" and insert "\$13,566,784".

Page 73, line 18, strike "\$11,966,255" and insert "\$13,595,750".

Page 74, after line 37, insert:

"F. To encourage equal opportunity in state procurement, the Department of Business Assistance shall recognize and fully implement the Governor's Executive Order 29 issued on July 2, 2002.

G.1. The Department of Business Assistance shall continue the study authorized under Item 125 of Chapter 1042 of the 2003 Acts of Assembly.

2. However, any monies held in an institutional fund outside of the state treasury for the purpose of carrying out the study shall be transferred to the state treasury. Such monies shall be treated as special funds, and shall not be taken into consideration in, nor be used to reduce, state appropriations or payments, but such funds shall be used in accordance with the wishes of the donors to offset the costs of conducting analyses of the availability and utilization of minority business enterprises or otherwise strengthen the services rendered by the department to minority business enterprises in the Commonwealth. The Director, Department of Planning and Budget is authorized to establish a nongeneral fund appropriation for the purpose of expending revenues that are received for this study.

H. The Department of Business Assistance is authorized to relocate from its present location to another less-expensive location more accessible to the public.

I. In developing the operating plan for the consolidated agency, the Department of Business Assistance shall seek input from representatives of affected client and industry groups. Upon completion of the operating plan, the Director, Department of Business Assistance shall submit copies to the Chairmen of the Senate Finance and House Appropriations Committees for their review.

J. It is the intent of the General Assembly that proposed legislation in the 2005 Session to effectuate the merger shall ensure that the core operations of the Department of Minority Business Enterprise shall continue.”

Commerce And Trade			Item 108 #2s
Department Of Forestry	FY 04-05	FY 05-06	
	\$159,000	\$159,000	GF

Language:

Page 74, line 47, strike “\$23,769,792” and insert “\$23,928,792”.

Page 74, line 47, strike “\$23,766,671” and insert “\$23,925,671”.

Commerce And Trade			Item 108 #5s
Department Of Forestry	FY 04-05	FY 05-06	
	\$125,000	\$250,000	GF

Language:

Page 74, line 47, strike “\$23,769,792” and insert “\$23,894,792”.

Page 74, line 47, strike “\$23,766,671” and insert “\$24,016,671”.

Page 75, strike lines 34 through 36 and insert:

“G. The appropriation in the Forestry and Reforestation Incentives subprogram includes \$125,000 the first year and \$250,000 the second year from the general fund for the Reforestation of Timberlands Fund. This appropriation shall be deemed sufficient to meet the provisions of Titles 10.1 and 58.1, Code of Virginia.”

Commerce And Trade			Item 109 #1s
Department Of Housing And Community Development			

Language

Language:

Page 76, after line 3, insert:

“As a condition of appropriation, the Department of Housing and Community Development shall work towards accomplishing these goals and strategies in the 2004-2006 biennium:

In the program area of economic development, the department shall target community economic development activities to distressed areas of the Commonwealth with a goal of creating or retaining jobs and new private investment. The goal is to create or retain 4,500 jobs and to stimulate \$110 million of investment that can be directly tied to the department's efforts in each year of the biennium.

In the program area of infrastructure development, the department shall provide access to new safe drinking water and approved wastewater disposal systems to households. The goal is to provide new water and/or wastewater service to 1,500 households through the department's funded projects in each year of the biennium.

In the program area of fire and building safety, the department shall increase fire safety in buildings subject to inspection by the State Fire Marshal's Office. The goal is to eliminate fire code violations by inspecting 4,000 buildings annually and bringing 95 percent of the buildings into compliance with the Statewide Fire Prevention Code in each year of the biennium.

In the program area of housing assistance, the department shall increase the availability of decent, safe and affordable housing to individuals and families at 60 percent of median income or below. The goal is to produce 100 units of new affordable rental housing, improve 2,950 units of substandard housing and provide homeownership opportunities to 400 households in each year of the biennium.

In the program area addressing homelessness, the department shall reduce the number of families and individuals experiencing homelessness. The goal is to prevent 2,400 households from becoming homeless and to move 5,000 homeless individuals and families into permanent housing in each year of the biennium.”

Commerce And Trade			Item 111 #6s
Department Of Housing And Community Development	FY 04-05 \$200,000	FY 05-06 \$200,000	GF

Language:

Page 77, line 2, strike “\$40,027,706” and insert “\$40,227,706”.

Page 77, line 2, strike “\$40,027,706” and insert “\$40,227,706”.

Page 79, after line 19, insert:

“H. Out of the amounts in this Item and contingent upon passage of Senate Bill 407 (2004 Session) shall be provided \$200,000 the first year and \$200,000 the second year from the general fund for the Center for Rural Virginia. The department shall report periodically to the Chairmen of the Senate Finance and House Appropriations Committees on the status, needs and accomplishments of the Center.”

Commerce And Trade			Item 121 #1s
Department Of Mines, Minerals And Energy			Language

Language:

Page 81, line 44, strike “\$16,093” and insert “\$21,136”.

Page 81, line 45, strike “\$16,093” and insert “\$21,136”.

Commerce And Trade			Item 125 #1s
Department Of Minority Business Enterprise	FY 04-05 (\$634,605) (\$1,065,924) -24.00	FY 05-06 (\$663,571) (\$1,065,924) -24.00	GF NGF FTE

Language:

Page 83, line 7, strike “\$1,700,529” and insert “\$0”.

Page 83, line 7, strike “\$1,729,495” and insert “\$0”.

Page 83, strike lines 7 through 56 and insert:

“Notwithstanding Title 2.2, Part C, Chapter 14, Code of Virginia, the Department of Minority Business Enterprise will be merged into the Department of Business Assistance effective July 1, 2004. The powers and duties heretofore exercised by such agency shall hereafter be vested in the Department of Business Assistance.”

Commerce And Trade			Item 128 #3s
Virginia Economic Development Partnership	FY 04-05 (\$250,000)	FY 05-06 (\$250,000)	GF

Language:

Page 84, line 33, strike “\$16,683,880” and insert “\$16,433,880”.

Page 84, line 33, strike “\$16,151,939” and insert “\$15,901,939”.

Page 86, strike lines 45 through 48.

Commerce And Trade			Item 128 #4s
Virginia Economic Development Partnership	FY 04-05 (\$500,000)	FY 05-06 \$0	GF

Language:

Page 84, line 33, strike "\$16,683,880" and insert "\$16,183,880".

Page 86, line 39, strike "\$1,000,000" and insert "\$500,000".

Page 86, line 41, after "the Commonwealth" strike "is contingent upon the passage into".

Page 86, strike lines 42 through 44 and insert: "The Partnership shall submit a plan to the Chairmen of the Senate Finance and House Appropriations Committees by January 12, 2005. The plan shall: (1) define distressed areas of the Commonwealth and set goals, strategies and outcomes for the special marketing program; (2) describe how the monies will be leveraged with local, private, federal, and other state dollars and in-kind assistance; (3) identify local and regional funding partners; and (4) identify other state economic development programs that can be targeted to distressed areas."

Commerce And Trade			Item 133 #2s
Virginia Racing Commission			

Language

Language:

Page 89, line 37, after "year.", insert:

"In no event, however, shall any funds be expended for that purpose until obligations in § 59.1-392 D.6., Code of Virginia are funded."

Commerce And Trade			Item 134 #10s
Virginia Tourism Authority	FY 04-05 \$200,000	FY 05-06 \$0	GF

Language:

Page 89, line 43, strike "\$11,369,914" and insert "\$11,569,914".

Page 91, after line 12, insert:

"J. Out of the amounts provided for Tourist Promotion, \$200,000 the first year from the general fund shall be provided to "See Virginia First", a public-private partnership operated by the Virginia Association of Broadcasters to advertise Virginia tourism."

Commerce And Trade			Item 134 #11s
Virginia Tourism Authority	FY 04-05 \$0	FY 05-06 (\$150,000)	GF

Language:

Page 89, line 43, strike "\$11,370,098" and insert "\$11,220,098".

Page 91, line 2, strike "and \$150,000 the".

Page 91, line 3, strike "second year".

Page 91, line 4, after "tourism.", insert: "The Virginia Tourism Authority shall submit to the Chairmen of the Senate Finance and House Appropriations Committees by January 12, 2005, the workplan and the results of the first year's funding for the outdoor resources tourism initiative. The report shall include information defining the initiative and the related tourism activities; the number of visitors participating in outdoor resources tourism; the economic impact of this tourism market in

Virginia; and the growth potential of this market in relation to other segments of the Virginia tourism industry.”

Commerce And Trade Item 134 #12s
Virginia Tourism Authority Language

Language:

Page 91, line 9, strike “is contingent upon the passage into”.

Page 91, strike lines 10 through 12 and insert “.”.

Commerce And Trade Item 134 #13s
Virginia Tourism Authority Language

Language:

Page 91, after line 12, insert:

“J. The Authority shall work with the Secretary of Commerce and Trade to develop performance goals and strategies to measure the impact of the Authority's programs and activities, specifically in the areas of (1) marketing and promotions, (2) customer service and industry relations, and (3) film and television productions in Virginia. The Authority shall submit these goals and measures by December 1, 2004, to the Chairmen of the Senate Finance and House Appropriations Committees. In addition, it is the intent of the General Assembly that the Authority incorporate these performance goals and strategies in budget amendments for review and approval by the 2005 Session.”

Education: Elementary & Secondary Item 135 #1s
Secretary Of Education Language

Language:

Page 94, after line 4, insert:

“F. Senior institutions of higher education shall make arrangements with community colleges for the remediation of students accepted for admission by the senior institutions.”

Education: Elementary & Secondary			Item 135 #1s
Secretary Of Education	FY 04-05	FY 05-06	
	\$984,000	\$0	GF

Language:

Page 92, line 3, strike “\$621,136” and insert “\$1,605,136”.

Page 94, after line 4, insert:

“F. Out of this appropriation, \$984,000 the first year from the general fund is designated to support the continuation of the school efficiency reviews pilot, in cooperation with the Department of Planning and Budget.”.

Education: Elementary & Secondary			Item 135 #2s
Secretary Of Education	FY 04-05	FY 05-06	
	\$100,000	\$0	GF

Language:

Page 92, line 3, strike “\$621,136” and insert “\$721,136”.

Page 94, after line 4, insert:

“F. Out of this appropriation, \$100,000 the first year from the general fund is provided for the following capital needs assessment and feasibility study. In the pre-planning phase for the consolidation at a single campus, the Secretaries of Education, Health and Human Resources, Administration, and Finance, together with the State Board of Education, the Department of Education, the two schools for the deaf, blind, and multi-disabled, the Woodrow Wilson Rehabilitation Center, the Department of General Services, and the Department of Planning and Budget shall complete a capital needs assessment and feasibility study for consolidating the State’s two existing schools for the deaf, blind, and multi-disabled on land at the Woodrow Wilson Rehabilitation Center. The Secretaries of Education, Health and Human Resources, Administration, and Finance shall submit a joint report on the capital needs assessment and feasibility study to the Governor and the Chairmen of the House Committees on Appropriations and Education, and the Senate Committees on Finance and Education and Health Committees by October 1, 2004. Building upon the work of the 2003 Consolidation Task Force, the report shall also include a suggested timeline of steps necessary to achieve a well-planned consolidation of the two existing schools at the new location no later than September 1, 2007, including the closing of the existing sites and disposition of the properties as well as a mechanism to assist the local school divisions with program development for those children who will not continue at the new school.”.

Education: Elementary & Secondary			Item 135 #4s
Secretary Of Education	FY 04-05	FY 05-06	
	(\$50,000)	\$0	GF

Language:

Page 92, line 3, strike “\$621,136” and insert “\$571,136”.
 Page 94, line 1, strike: “\$50,000 the first year from the general fund and”

Education: Elementary & Secondary			Item 135 #5s
Secretary Of Education			Language

Language:

Page 93, strike lines 15 through 60.

Education: Elementary & Secondary			Item 141 #1s
Department Of Education, Central	FY 04-05	FY 05-06	
Office Operations	(\$297,500)	(\$381,500)	GF

Language:

Page 97, line 18, strike “\$8,558,146” and insert “\$8,260,646”.
 Page 97, line 18, strike “\$8,779,646” and insert “\$8,398,146”.
 Page 99, line 2, strike “\$2,007,500 the first year and \$2,229,000 the second” and insert “\$1,710,000 the first year and \$1,847,500 the second”.

Education: Elementary & Secondary			Item 141 #2s
Department Of Education, Central	FY 04-05	FY 05-06	
Office Operations	\$0	\$320,000	GF

Language:

Page 97, line 18, strike “\$8,779,646” and insert “\$9,099,646”.
 Page 98, line 55, after “certificate” strike “for”.
 Page 98, strike lines 56 through 60.
 Page 98, line 61, strike “annually thereafter for the life of the certificate.”

Page 99, line 2, strike "\$2,229,000" and insert "\$2,549,000".

Education: Elementary & Secondary			Item 144 #1s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$600,000	\$600,000	GF

Language:

Page 100, line 2, strike "\$457,997,916" and insert "\$458,597,916".

Page 100, line 2, strike "\$465,142,441" and insert "\$465,742,441".

Education: Elementary & Secondary			Item 144 #2s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$908,500)	(\$1,408,500)	GF

Language:

Page 100, line 2, strike "\$457,997,916" and insert "\$457,089,416".

Page 100, line 2, strike "\$465,142,441" and insert "\$463,733,941".

Page 101, after line 3, insert:

"A. 1. This appropriation includes \$3,467,910 the first year and \$3,688,379 the second year from the general fund for targeted education initiatives to improve student achievement and teacher quality, including a mentoring program for teachers with no experience working in schools that are at-risk of not meeting adequate yearly progress, a middle school math teacher initiative in at-risk schools, and turnaround specialists in schools that have consistently failed to show improvement in student progress.

2. The Department of Education shall continue to work with the school divisions to estimate the cost impacts of the federal No Child Left Behind Act. The Superintendent of Public Instruction shall provide an update on expected local cost impacts, as well as State costs, to the Chairmen of the House Appropriations and Senate Finance Committees by July 1, 2004 and subsequent updates as needed."

Education: Elementary & Secondary			Item 145 #1s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$22,112,566	\$253,093	GF

Language:

Page 103, line 40, strike "\$265,335,825" and insert "\$287,448,391".

Page 103, line 40, strike "\$275,092,690" and insert "\$275,345,783".

Education: Elementary & Secondary			Item 145 #2s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$24,909,601)	(\$27,487,057)	GF

Language:

Page 103, line 40, strike "\$265,335,825" and insert "\$240,426,224".

Page 103, line 40, strike "\$275,092,690" and insert "\$247,605,633".

Education: Elementary & Secondary			Item 146 #1s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$208,047,357	\$209,787,477	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$3,128,474,490".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$3,144,251,597".

Page 111, after line 35, insert:

“10. Included in the amounts provided to update the Standards of Quality for the 2004-06 biennium, approximately \$350 million reflects growth in prevailing salaries and related fringe benefits. It is the desire of the General Assembly that on average local school divisions continue to improve the average salary for classroom teachers by at least three percent per year, the actual average annual rate increase in recent years.”.

Education: Elementary & Secondary			Item 146 #2s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$213,170,176	\$217,264,809	GF

Language:

Page 105, line 15, strike “\$2,920,427,133” and insert “\$3,133,597,309”.

Page 105, line 15, strike “\$2,934,464,120” and insert “\$3,151,728,929”.

Page 109, line 43, strike “Funding in support of an additional 9”.

Page 109, strike lines 44 through 47.

Page 111, after line 44, insert:

“By November 15 of each year, the Department of Planning and Budget, in cooperation with the Department of Education, shall prepare and submit a preliminary forecast of Standards of Quality expenditures, based upon the most current data available, to the Chairmen of the House Appropriations and Senate Finance Committees. In odd-numbered years, the forecast for the current and subsequent two fiscal years shall be provided. In even-numbered years, the forecast for the current and subsequent fiscal year shall be provided. The forecast shall detail the projected Average Daily Membership and the resulting impact on the education budget.

The Superintendent of Public Instruction shall submit to the Chairmen of the House Appropriations and Senate Finance Committees: (a) by September 1, 2004, an update on the Department of Education's on-going efforts to increase consistency of Annual School Report (ASR) data submitted and used in estimating costs, including updated documentation for Annual School Report submissions by school divisions and the schedule for publishing the ASR-related tables in the Superintendent's Annual Report; (b) by September 1, 2005, updated comprehensive documentation of the Standards of Quality (SOQ) cost model and the schedule for publishing key SOQ model reports.”.

Education: Elementary & Secondary			Item 146 #3s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$49,274,224	\$49,555,079	GF

Language:

Page 105, line 15, strike “\$2,920,427,133” and insert “\$2,969,701,357”.

Page 105, line 15, strike “\$2,934,464,120” and insert “\$2,984,019,199”.

Page 122, line 38, strike “unserved”.

Page 122, strike line 39.

Page 122, line 55, strike “\$5,400” and insert “\$6,000”.

Page 122, strike line 56 and insert “the at-risk four-year-olds in”.

Page 123, strike lines 1 through 10.

Education: Elementary & Secondary			Item 146 #4s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$41,010	\$7,506	GF

Language:

Page 105, line 15, strike “\$2,920,427,133” and insert “\$2,920,468,143”.

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,934,471,626".

Page 115, line 27, strike "\$64,567,263" and insert "\$64,608,273".

Page 115, line 28, strike "\$65,025,564" and insert "\$65,033,070".

Education: Elementary & Secondary			Item 146 #5s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$469,788)	(\$483,033)	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,919,957,345".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,933,981,087".

Page 117, line 46, strike "\$68,878,904" and insert "\$68,409,116".

Page 117, line 47, strike "\$69,033,753" and insert "\$68,550,720".

Education: Elementary & Secondary			Item 146 #6s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$1,088,338)	(\$1,133,754)	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,919,338,795".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,933,330,366".

Page 126, line 48, strike "failed the".

Page 126, strike line 49 and insert "qualify for the federal Free Lunch Program."

Education: Elementary & Secondary			Item 146 #7s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$0	\$254,248	GF

Language:

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,934,718,368".

Page 114, line 50, strike "and \$400,000 the second year".

Page 115, line 2, after "City of Norton." insert "An additional state payment of \$200,000 the second year from the general fund is provided as a Small School Division Assistance grant for the school division of the City of Norton."

Education: Elementary & Secondary			Item 146 #8s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$22,814,336	\$23,095,322	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,943,241,469".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,957,559,442".

Page 113, strike lines 40 through 45.

Education: Elementary & Secondary			Item 146 #9s
Direct Aid To Public Education			
			Language

Language:

Page 128, line 23, strike "is contingent".

Page 128, strike lines 24 through 26.

Education: Elementary & Secondary			Item 146 #10s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$1,466,336)	(\$2,241,415)	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,918,960,797".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,932,222,705".

Page 115, strike lines 8 through 25.

Education: Elementary & Secondary			Item 146 #11s
Direct Aid To Public Education			Language

Language:

Page 114, line 1, strike "is contingent upon the passage".

Page 114, strike lines 2 through 4.

Education: Elementary & Secondary			Item 146 #29s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$12,263,573	\$5,240,323	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,932,690,706".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,939,704,443".

Education: Elementary & Secondary			Item 146 #30s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$5,814,667)	(\$7,168,942)	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,914,612,466".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,927,295,178".

Education: Elementary & Secondary			Item 147 #1s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$10,322,268	\$12,724,788	GF

Language:

Page 128, line 28, strike "\$1,279,045,675" and insert "\$1,289,367,943".

Page 128, line 28, strike "\$1,328,043,698" and insert "\$1,340,768,486".

Education: Elementary & Secondary			Item 149 #1s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$88,914	\$88,965	GF

Language:

Page 130, line 23, strike "\$12,781,908" and insert "\$12,870,822".

Page 130, line 23, strike "\$13,049,102" and insert "\$13,138,067".

Page 131, line 11, strike "1,300" and insert "1,400".

Page 131, line 35, strike "2002-2003" and insert "2003-2004".

Education: Elementary & Secondary			Item 151 #1s
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$200,000	\$200,000	GF

Language:

Page 131, line 51, strike "\$2,700,000" and insert "\$2,900,000".

Page 131, line 51, strike "\$2,700,000" and insert "\$2,900,000".

Page 132, after line 3, insert:

"This appropriation includes \$200,000 each year from the general fund for the Jobs for Virginia Graduates program to place career specialists in schools."

Education: Higher Education			Item 163 #1s
State Council Of Higher Education For Virginia	FY 04-05	FY 05-06	
	\$1,699,302	\$1,418,847	GF

Language:

Page 136, line 24, strike "\$47,525,465" and insert "\$49,224,767".

Page 136, line 24, strike "\$46,384,948" and insert "\$47,803,795".

Page 137, line 5, strike "\$39,891,082" and insert "\$41,590,384".

Page 137, line 6, strike "\$40,740,733" and insert "\$42,159,580".

Page 137, line 8, strike "Out of the amounts cited in this".

Page 137, strike lines 9 through 15.

Page 137, strike lines 28 through 33, and insert:

"1. Payments to students out of this appropriation shall not exceed \$2,500 for qualified undergraduate students and \$2,000 for qualified graduate and medical students attending not-for-profit, independent institutions in accordance with §§ 23-38.12 through 23-38.19, Code of Virginia."

Education: Higher Education			Item 163 #2s
State Council Of Higher Education For Virginia	FY 04-05	FY 05-06	
	\$50,000	\$50,000	GF

Language:

Page 136, line 24, strike "\$47,525,465" and insert "\$47,575,465".

Page 136, line 24, strike "\$46,384,948" and insert "\$46,434,948".

Page 139, line 26, insert:

"H. Out of this appropriation, \$50,000 in each year from the general fund is provided for the Brown v. Board of Education Scholarship Program and Fund. The State Council of Higher Education for Virginia shall administer this program as set out in Senate Bill 230 of the 2004 session of the General Assembly."

Education: Higher Education			Item 163 #3s
State Council Of Higher Education For Virginia	FY 04-05	FY 05-06	
	(\$1,990,168)	\$0	GF

Language:

Page 136, line 24, strike "\$47,525,465" and insert "\$45,535,297".

Page 139, strike lines 7 through 25.

Education: Higher Education			Item 163 #4s
State Council Of Higher Education For Virginia	FY 04-05 (\$160,000)	FY 05-06 (\$160,000)	GF

Language:

Page 136, line 24, strike "\$47,525,465" and insert "\$47,365,465".
 Page 136, line 24, strike "\$46,384,948" and insert "\$46,224,948".
 Page 138, strike lines 34 through 54.
 Page 139, strike lines 1 through 6.

Education: Higher Education			Item 164 #1s
State Council Of Higher Education For Virginia	FY 04-05 (\$432,297)	FY 05-06 (\$371,708)	GF

Language:

Page 139, line 27, strike "\$6,680,728" and insert "\$6,248,431".
 Page 139, line 27, strike "\$6,592,208" and insert "\$6,220,500".
 Page 141, line 56, strike "\$5,606,894" and insert "\$5,174,597"
 Page 141, line 57, strike "\$5,606,894" and insert "\$5,235,186"
 Page 142, after "Library.," strike lines 4 through 10.

Education: Higher Education			Item 165 #4s
State Council Of Higher Education For Virginia	FY 04-05 (\$135,290) -1.00	FY 05-06 (\$135,290) -1.00	GF FTE

Language:

Page 140, line 38, strike "\$9,842,470" and insert "\$9,707,180".
 Page 140, line 38, strike "\$9,848,424" and insert "\$9,713,134".

Education: Higher Education			Item 168 #3s
Christopher Newport University	FY 04-05 \$400,000	FY 05-06 \$400,000	GF

Language:

Page 143, line 29, strike "\$34,870,597" and insert "\$35,270,597".
 Page 143, line 29, strike "\$35,707,092" and insert "\$36,107,092".

Education: Higher Education			Item 168 #8s
Christopher Newport University	FY 04-05 \$0 \$0	FY 05-06 \$162,682 \$87,603	GF NGF

Language:

Page 143, line 29, strike "\$35,707,092" and insert "\$35,957,377".

Education: Higher Education			Item 168 #9s
Christopher Newport University			Language

Language:

Page 144, line 5, insert:

“C. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$14,229,712 in nongeneral funds the first year and \$15,155,910 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue.”

Education: Higher Education			Item 168 #10s
Christopher Newport University	FY 04-05	FY 05-06	
	\$213,830	\$394,763	GF
	\$219,781	\$405,749	NGF

Language:

Page 143, line 29, strike “\$34,870,597” and insert “\$35,304,208”.

Page 143, line 29, strike “\$35,707,092” and insert “\$36,507,604”.

Page 144, line 5, insert:

“C. Out of this appropriation, \$213,830 is provided in the first year and \$394,763 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”.

Education: Higher Education			Item 168 #11s
Christopher Newport University	FY 04-05	FY 05-06	
	\$3,311,789	\$3,311,789	GF
	\$565,868	\$1,154,371	NGF

Language:

Page 143, line 29, strike “\$34,870,597” and insert “\$38,748,254”.

Page 143, line 29, strike “\$35,707,092” and insert “\$40,173,252”.

Page 144, line 5, insert:

“C. Out of this appropriation, \$3,311,789 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 168 #12s
Christopher Newport University	FY 04-05	FY 05-06	
	(\$664,224)	(\$1,062,035)	GF
	(\$287,203)	(\$574,407)	NGF

Language:

Page 143, line 29, strike “\$34,870,597” and insert “\$33,919,170”.

Page 143, line 29, strike “\$35,707,092” and insert “\$34,070,650”.

Page 143, strike lines 44 through 49.

Page 144, strike lines 1 through 5.

Education: Higher Education			Item 168 #13s
Christopher Newport University	FY 04-05	FY 05-06	
	\$171,985	\$172,317	NGF

Language:

Page 143, line 29, strike "\$34,870,597" and insert "\$35,042,582".

Page 143, line 29, strike "\$35,707,092" and insert "\$35,879,409".

Education: Higher Education			Item 169 #1s
Christopher Newport University	FY 04-05	FY 05-06	
	\$315,711	\$315,711	GF

Language:

Page 144, line 6, strike "\$2,490,787" and insert "\$2,806,498".

Page 144, line 6, strike "\$2,490,787" and insert "\$2,806,498".

Education: Higher Education			Item 172 #3s
The College Of William And Mary In Virginia	FY 04-05	FY 05-06	
	\$542,127	\$608,765	NGF

Language:

Page 144, line 35, strike "\$100,624,631" and insert "\$101,166,758".

Page 144, line 35, strike "\$100,285,985" and insert "\$100,894,750".

Education: Higher Education			Item 172 #4s
The College Of William And Mary In Virginia	FY 04-05	FY 05-06	
	(\$299,581)	(\$443,354)	GF
	(\$507,980)	(\$751,748)	NGF

Language:

Page 144, line 35, strike "\$100,624,631" and insert "\$99,817,070".

Page 144, line 35, strike "\$100,285,985" and insert "\$99,090,883".

Page 145, strike lines 23 through 34.

Education: Higher Education			Item 172 #5s
The College Of William And Mary In Virginia	FY 04-05	FY 05-06	
	\$2,227,638	\$2,227,638	GF
	\$2,484,176	\$5,002,503	NGF

Language:

Page 144, line 35, strike "\$100,624,631" and insert "\$105,336,445".

Page 144, line 35, strike "\$100,285,985" and insert "\$107,516,126".

Page 145, line 35, insert:

"E. Out of this appropriation, \$2,227,638 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate,

and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 172 #6s
The College Of William And Mary In Virginia	FY 04-05	FY 05-06	
	\$399,070	\$736,745	GF
	\$925,720	\$1,709,022	NGF

Language:

Page 144, line 35, strike “\$100,624,631” and insert “\$101,949,421”.

Page 144, line 35, strike “\$100,285,985” and insert “\$102,731,752”.

Page 145, line 35, insert:

“E. Out of this appropriation, \$399,070 is provided in the first year and \$736,745 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education		Item 172 #7s
The College Of William And Mary In Virginia		Language

Language:

Page 145, line 35, insert:

“E. In conjunction with Senate Joint Resolution 90 of the 2004 General Assembly, the College of William and Mary may pursue the development of a prototype charter agreement to present to the joint subcommittee for its consideration in studying the administrative and financial relationships between the Commonwealth and its public institutions of higher education.”

Education: Higher Education		Item 172 #8s
The College Of William And Mary In Virginia		Language

Language:

Page 145, line 35, insert:

“E. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$62,426,730 in nongeneral funds the first year and \$65,795,017 in nongeneral funds the second year in tuition and mandatory educational and general fee revenue.”

Education: Higher Education		Item 172 #10s
The College Of William And Mary In Virginia		Language

Language:

Page 145, line 16, strike “The”

Page 145, strike lines 17 through 22.

Education: Higher Education		Item 176 #1s
Richard Bland College		Language

Language:

Page 147, line 4, insert:

“D. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$2,354,839 in nongeneral funds the first year and \$2,496,026 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue.”

Education: Higher Education			Item 176 #2s
Richard Bland College	FY 04-05	FY 05-06	
	(\$63,000)	(\$63,000)	GF
	(\$44,000)	(\$44,000)	NGF

Language:

Page 146, line 34, strike “\$6,795,035” and insert “\$6,688,035”.

Page 146, line 34, strike “\$6,814,478” and insert “\$6,707,478”.

Page 146, strike lines 44 through 51.

Page 147, strike lines 1 through 3.

Education: Higher Education			Item 176 #3s
Richard Bland College	FY 04-05	FY 05-06	
	\$63,000	\$63,000	GF
	\$94,444	\$192,667	NGF

Language:

Page 146, line 34, strike “\$6,795,035” and insert “\$6,952,479”.

Page 146, line 34, strike “\$6,814,478” and insert “\$7,070,145”.

Page 143, line 44, insert:

“Out of this appropriation, \$63,000 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 176 #4s
Richard Bland College	FY 04-05	FY 05-06	
	\$44,445	\$82,052	GF
	\$39,290	\$72,536	NGF

Language:

Page 146, line 34, strike “\$6,795,035” and insert “\$6,878,770”.

Page 146, line 34, strike “\$6,814,478” and insert “\$6,969,066”.

Page 143, line 44, insert:

“B. Out of this appropriation, \$44,445 is provided in the first year and \$82,052 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment

and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 176 #5s
Richard Bland College	FY 04-05	FY 05-06	
	\$43,871	\$45,918	NGF

Language:

Page 146, line 34, strike “\$6,795,035” and insert “\$6,838,906”.

Page 146, line 34, strike “\$6,814,478” and insert “\$6,860,396”.

Education: Higher Education			Item 180 #4s
Virginia Institute Of Marine Science	FY 04-05	FY 05-06	
	\$373,627	\$373,627	GF

Language:

Page 147, line 30, strike “\$17,727,904” and insert “\$18,101,531”.

Page 147, line 30, strike “\$17,371,016” and insert “\$17,744,643”.

Page 148, strike lines 11 through 20.

Education: Higher Education			Item 180 #6s
Virginia Institute Of Marine Science	FY 04-05	FY 05-06	
	\$92,746	\$171,224	GF
	\$221,376	\$408,695	NGF

Language:

Page 147, line 30, strike “\$17,727,904” and insert “\$18,042,026”.

Page 147, line 30, strike “\$17,371,016” and insert “\$17,950,935”.

Page 148, line 21, insert:

“E. Out of this appropriation, \$92,746 is provided in the first year and \$171,224 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 182 #1s
George Mason University	FY 04-05	FY 05-06	
	\$139,352	\$150,200	GF
	\$129,703	\$139,800	NGF

Language:

Page 148, line 47, strike “\$215,677,704” and insert “\$215,946,759”.

Page 148, line 47, strike “\$215,490,073” and insert “\$215,780,073”.

Education: Higher Education			Item 182 #3s
George Mason University	FY 04-05	FY 05-06	
	\$3,260,000	\$3,260,000	NGF

Language:

Page 148, line 47, strike “\$215,677,704” and insert “\$218,937,704”.

Page 148, line 47, strike "\$215,490,073" and insert "\$218,750,073".

Education: Higher Education			Item 182 #4s
George Mason University	FY 04-05	FY 05-06	
	(\$3,642,662)	(\$4,021,514)	GF
	(\$352,622)	(\$705,244)	NGF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$211,682,420".

Page 148, line 47, strike "\$215,490,073" and insert "\$210,763,315".

Page 149, strike lines 28 through 39.

Education: Higher Education			Item 182 #5s
George Mason University	FY 04-05	FY 05-06	
	\$6,684,010	\$6,684,010	GF
	\$5,124,670	\$10,454,328	NGF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$227,486,384".

Page 148, line 47, strike "\$215,490,073" and insert "\$232,628,411".

Page 149, line 53, insert:

"F. Out of this appropriation, \$6,684,010 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Education: Higher Education			Item 182 #6s
George Mason University	FY 04-05	FY 05-06	
	\$0	\$1,346,942	GF
	\$0	\$1,022,256	NGF

Language:

Page 148, line 47, strike "\$215,490,073" and insert "\$217,859,271".

Education: Higher Education			Item 182 #7s
George Mason University			Language

Language:

Page 149, line 53, insert:

"F. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$119,748,761 in nongeneral funds the first year and \$127,453,945 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Education: Higher Education			Item 182 #8s
George Mason University	FY 04-05	FY 05-06	
	\$1,002,308	\$1,850,415	GF
	\$1,353,739	\$2,499,211	NGF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$218,033,751".

Page 148, line 47, strike "\$215,490,073" and insert "\$219,839,699".

Page 149, line 53, insert:

"F. Out of this appropriation, \$1,002,308 is provided in the first year and \$1,850,415 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Education: Higher Education
George Mason University

Item 182 #10s

Language

Language:

Page 149, line 46, strike "The"

Page 149, strike lines 47 through 52.

Education: Higher Education
George Mason University

Item 183 #1s

	FY 04-05	FY 05-06	
	\$140,482	\$140,482	GF

Language:

Page 149, line 53, strike "\$9,588,495" and insert "\$9,728,977".

Page 149, line 53, strike "\$9,588,495" and insert "\$9,728,977".

Education: Higher Education
James Madison University

Item 186 #2s

	FY 04-05	FY 05-06	
	(\$1,389,648)	(\$2,067,449)	GF
	(\$931,412)	(\$1,862,825)	NGF

Language:

Page 150, line 31, strike "\$136,809,392" and insert "\$134,488,332".

Page 150, line 31, strike "\$138,108,694" and insert "\$134,178,420".

Page 150, strike lines 42 through 49.

Page 151, strike lines 1 through 4.

Education: Higher Education
James Madison University

Item 186 #3s

	FY 04-05	FY 05-06	
	\$6,531,007	\$6,531,007	GF
	\$4,777,669	\$9,836,241	NGF

Language:

Page 150, line 31, strike "\$136,809,392" and insert "\$148,118,068".

Page 150, line 31, strike "\$138,108,694" and insert "\$154,475,942".

Page 151, line 13, insert:

"C. Out of this appropriation, \$6,531,007 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of

the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 186 #4s
James Madison University	FY 04-05	FY 05-06	
	\$0	\$1,088,860	GF
	\$0	\$1,238,158	NGF

Language:

Page 150, line 31, strike “\$138,108,694” and insert “\$140,435,712”.

Education: Higher Education			Item 186 #5s
James Madison University			
			Language

Language:

Page 151, line 13, insert:

“C. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$81,774,053 in nongeneral funds the first year and \$88,953,978 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue.”

Education: Higher Education			Item 186 #6s
James Madison University	FY 04-05	FY 05-06	
	\$536,834	\$991,078	GF
	\$1,041,988	\$1,923,671	NGF

Language:

Page 150, line 31, strike “\$136,809,392” and insert “\$138,388,214”.

Page 150, line 31, strike “\$138,108,694” and insert “\$141,023,443”.

Page 151, line 13, insert:

“C. Out of this appropriation, \$536,834 is provided in the first year and \$991,078 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 186 #7s
James Madison University	FY 04-05	FY 05-06	
	\$966,185	\$967,697	NGF

Language:

Page 150, line 31, strike “\$136,809,392” and insert “\$137,775,577”.

Page 150, line 31, strike “\$138,108,694” and insert “\$139,076,391”.

Education: Higher Education			Item 190 #4s
Longwood University	FY 04-05	FY 05-06	
	\$155,316	\$155,652	NGF

Language:

Page 151, line 48, strike "\$32,086,391" and insert "\$32,241,707".

Page 151, line 48, strike "\$32,427,726" and insert "\$32,583,378".

Education: Higher Education			Item 190 #5s
Longwood University	FY 04-05	FY 05-06	
	(\$546,620)	(\$745,351)	GF
	(\$147,601)	(\$295,203)	NGF

Language:

Page 151, line 48, strike "\$32,086,391" and insert "\$31,392,170".

Page 151, line 48, strike "\$32,427,726" and insert "\$31,387,172".

Page 152, strike lines 29 through 39.

Education: Higher Education			Item 190 #6s
Longwood University	FY 04-05	FY 05-06	
	\$3,282,745	\$3,282,745	GF
	\$588,335	\$1,200,203	NGF

Language:

Page 151, line 48, strike "\$32,086,391" and insert "\$35,957,471".

Page 151, line 48, strike "\$32,427,726" and insert "\$36,910,674".

Page 152, line 40, insert:

"F. Out of this appropriation, \$3,282,745 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Education: Higher Education			Item 190 #7s
Longwood University	FY 04-05	FY 05-06	
	\$0	\$513,199	GF
	\$0	\$284,856	NGF

Language:

Page 151, line 48, strike "\$32,427,726" and insert "\$33,225,781".

Education: Higher Education		Item 190 #8s
Longwood University		Language

Language:

Page 152, line 50, insert:

“F. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$14,542,951 in nongeneral funds the first year and \$15,589,831 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue.”

Education: Higher Education			Item 190 #9s
Longwood University	FY 04-05	FY 05-06	
	\$162,910	\$300,758	GF
	\$177,061	\$326,881	NGF

Language:

Page 151, line 48, strike “\$32,086,391” and insert “\$32,426,362”.

Page 151, line 48, strike “\$32,427,726” and insert “\$33,055,365”.

Page 152, line 40, insert:

“F. Out of this appropriation, \$162,910 is provided in the first year and \$300,758 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 191 #1s
Longwood University	FY 04-05	FY 05-06	
	\$109,472	\$109,472	GF

Language:

Page 152, line 40, strike “\$2,244,638” and insert “\$2,354,110”.

Page 152, line 40, strike “\$2,244,638” and insert “\$2,354,110”.

Education: Higher Education			Item 194 #3s
Mary Washington College	FY 04-05	FY 05-06	
	\$2,820,805	\$2,821,284	NGF

Language:

Page 153, line 24, strike “\$36,497,598” and insert “\$39,318,403”.

Page 153, line 24, strike “\$36,494,738” and insert “\$39,316,022”.

Education: Higher Education			Item 194 #4s
Mary Washington College	FY 04-05	FY 05-06	
	(\$409,437)	(\$409,437)	GF

Language:

Page 153, line 24, strike “\$36,497,598” and insert “\$36,088,161”.

Page 153, line 24, strike “\$36,494,738” and insert “\$36,085,301”.

Page 153, strike lines 35 through 44.

Education: Higher Education			Item 194 #5s
Mary Washington College	FY 04-05	FY 05-06	
	\$1,147,002	\$1,147,002	GF
	\$989,445	\$2,018,468	NGF

Language:

Page 153, line 24, strike "\$36,497,598" and insert "\$38,634,045".

Page 153, line 24, strike "\$36,494,738" and insert "\$39,660,208".

Page 154, line 1, insert:

"C. Out of this appropriation, \$1,147,002 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Education: Higher Education
Mary Washington College

Item 194 #6s

Language

Language:

Page 154, line 1, insert:

"C. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$22,538,396 in nongeneral funds the first year and \$23,793,475 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Education: Higher Education
Mary Washington College

Item 194 #7s

FY 04-05	FY 05-06	
\$156,959	\$289,771	GF
\$266,590	\$492,166	NGF

Language:

Page 153, line 24, strike "\$36,497,598" and insert "\$36,921,147".

Page 153, line 24, strike "\$36,494,738" and insert "\$37,276,675".

Page 154, line 1, insert:

"C. Out of this appropriation, \$156,959 is provided in the first year and \$289,771 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Education: Higher Education
Mary Washington College

Item 195 #1s

FY 04-05	FY 05-06	
\$25,324	\$25,324	GF

Language:

Page 154, line 1, strike "\$1,016,397" and insert "\$1,041,721".

Page 154, line 1, strike "\$1,016,397" and insert "\$1,041,721".

Education: Higher Education
Mary Washington College

Item 198 #1s

FY 04-05	FY 05-06	
\$100,000	\$100,000	GF

Language:

Page 154, line 22, strike "\$202,575" and insert "\$302,575".
 Page 154, line 22, strike "\$202,575" and insert "\$302,575".

Education: Higher Education			Item 200 #1s
Norfolk State University	FY 04-05	FY 05-06	
	\$0	\$333,757	GF
	\$0	\$364,108	NGF

Language:

Page 155, line 14, strike "\$69,247,068" and insert "\$69,944,933".

Education: Higher Education			Item 200 #2s
Norfolk State University	FY 04-05	FY 05-06	
	(\$85,400)	(\$85,400)	GF
	\$0	\$0	NGF

Language:

Page 155, line 14, strike "\$68,890,053" and insert "\$68,804,653".
 Page 155, line 14, strike "\$69,247,068" and insert "\$69,161,668".
 Page 156, strike lines 37 through 46.

Education: Higher Education			Item 200 #3s
Norfolk State University			
			Language

Language:

Page 156, line 47, insert:
 "H. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$31,320,780 in nongeneral funds the first year and \$34,995,787 in nongeneral funds the second year in tuition and mandatory educational and general fee revenue."

Education: Higher Education			Item 200 #4s
Norfolk State University	FY 04-05	FY 05-06	
	\$33,384	(\$401,866)	GF
	\$0	\$401,866	NGF

Language:

Page 155, line 14, strike "\$68,890,053" and insert "\$68,923,437".

Education: Higher Education			Item 200 #5s
Norfolk State University	FY 04-05	FY 05-06	
	\$254,988	\$470,748	GF
	\$451,567	\$833,662	NGF

Language:

Page 155, line 14, strike "\$68,890,053" and insert "\$69,596,608".
 Page 155, line 14, strike "\$69,247,068" and insert "\$70,551,478".
 Page 156, line 47, insert:
 "H. Out of this appropriation, \$254,988 is provided in the first year and \$470,748 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent

salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 204 #4s
Old Dominion University	FY 04-05	FY 05-06	
	\$2,043,744	\$2,045,257	NGF

Language:

Page 157, line 26, strike “\$145,939,158” and insert “\$147,982,902”.

Page 157, line 26, strike “\$149,163,120” and insert “\$151,208,377”.

Education: Higher Education			Item 204 #5s
Old Dominion University	FY 04-05	FY 05-06	
	(\$4,386,981)	(\$6,408,254)	GF
	(\$2,008,944)	(\$4,017,887)	NGF

Language:

Page 157, line 26, strike “\$145,939,158” and insert “\$139,543,233”.

Page 157, line 26, strike “\$149,163,120” and insert “\$138,736,979”.

Page 158, strike lines 51 through 55.

Page 159, strike lines 1 through 7.

Education: Higher Education			Item 204 #6s
Old Dominion University	FY 04-05	FY 05-06	
	\$11,660,544	\$11,660,544	GF
	\$2,827,035	\$5,767,152	NGF

Language:

Page 157, line 26, strike “\$145,939,158” and insert “\$160,426,737”.

Page 157, line 26, strike “\$149,163,120” and insert “\$166,590,816”.

Page 159, line 21, insert:

“K. Out of this appropriation, \$11,660,544 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 204 #7s
Old Dominion University			
			Language

Language:

Page 159, line 21, insert:

“K. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$67,045,899 in nongeneral funds the first year and \$70,743,624 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue.”

Education: Higher Education			Item 204 #8s
Old Dominion University	FY 04-05	FY 05-06	
	\$623,720	\$1,151,484	GF
	\$893,567	\$1,649,662	NGF

Language:

Page 157, line 26, strike “\$145,939,158” and insert “\$147,456,445”.

Page 157, line 26, strike “\$149,163,120” and insert “\$151,964,266”.

Page 159, line 21, insert:

“K. Out of this appropriation, \$623,720 is provided in the first year and \$1,151,484 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 204 #10s
Old Dominion University			
			Language

Language:

Page 159, line 14, strike “The”

Page 159, strike lines 15 through 20.

Education: Higher Education			Item 205 #1s
Old Dominion University	FY 04-05	FY 05-06	
	\$248,240	\$248,240	GF

Language:

Page 159, line 21, strike “\$9,598,779” and insert “\$9,847,019”.

Page 159, line 21, strike “\$9,598,779” and insert “\$9,847,019”.

Education: Higher Education			Item 208 #5s
Radford University	FY 04-05	FY 05-06	
	\$648,189	\$648,942	NGF

Language:

Page 160, line 25, strike “\$64,460,612” and insert “\$65,108,801”.

Page 160, line 25, strike “\$65,754,529” and insert “\$66,403,471”.

Education: Higher Education			Item 208 #6s
Radford University	FY 04-05	FY 05-06	
	(\$787,986)	(\$1,484,543)	GF
	(\$630,828)	(\$1,261,657)	NGF

Language:

Page 160, line 25, strike “\$64,460,612” and insert “\$63,041,798”.

Page 160, line 25, strike “\$65,754,529” and insert “\$63,008,329”.

Page 160, strike lines 40 through 50.

Education: Higher Education			Item 208 #7s
Radford University	FY 04-05	FY 05-06	
	\$5,571,645	\$5,571,645	GF
	\$1,214,496	\$2,477,573	NGF

Language:

Page 160, line 25, strike “\$64,460,612” and insert “\$71,246,753”.

Page 160, line 25, strike “\$65,754,529” and insert “\$73,803,747”.

Page 161, line 4, insert:

“D. Out of this appropriation, \$5,571,645 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 208 #8s
Radford University			Language

Language:

Page 161, line 4, insert:

“D. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$30,611,506 in nongeneral funds the first year and \$32,223,653 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue.”

Education: Higher Education			Item 208 #9s
Radford University	FY 04-05	FY 05-06	
	\$311,173	\$574,473	GF
	\$411,649	\$759,967	NGF

Language:

Page 160, line 25, strike “\$64,460,612” and insert “\$65,183,434”.

Page 160, line 25, strike “\$65,754,529” and insert “\$67,088,969”.

Page 161, line 4, insert:

“D. Out of this appropriation, \$311,173 is provided in the first year and \$574,473 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 208 #10s
Radford University	FY 04-05	FY 05-06	
	(\$75,000)	(\$50,000)	GF

Language:

Page 160, line 25, strike "\$64,460,612" and insert "\$64,385,612".

Page 160, line 25, strike "\$65,754,529" and insert "\$65,704,529".

Page 160, strike lines 51 through 54.

Page 161, strike lines 1-3.

Education: Higher Education			Item 209 #1s
Radford University	FY 04-05	FY 05-06	
	\$417,186	\$417,186	GF

Language:

Page 161, line 4, strike "\$4,290,215" and insert "\$4,707,401".

Page 161, line 4, strike "\$4,290,215" and insert "\$4,707,401".

Education: Higher Education			Item 212 #1s
Southwest Virginia Higher Education Center	FY 04-05	FY 05-06	
	3.00	3.00	FTE

Language:

Education: Higher Education			Item 212 #2s
Southwest Virginia Higher Education Center			
			Language

Language:

Page 161, strike lines 42 through 47.

Education: Higher Education			Item 212 #3s
Southwest Virginia Higher Education Center	FY 04-05	FY 05-06	
	\$135,292	\$135,292	GF

Language:

Page 161, line 37, strike "\$1,875,458" and insert "\$2,010,750".

Page 161, line 37, strike "\$1,875,753" and insert "\$2,011,045".

Education: Higher Education			Item 213 #5s
University Of Virginia			
			Language

Language:

Page 164, line 55, strike "Such reserve funds"

Page 164, strike lines 56 and 58.

Page 164, line 55, after "revenues.", insert: "Annual contributions to such reserve funds shall not exceed two percent of the asset value of the educational and general buildings constructed with nongeneral fund revenues for which such reserves are established."

Page 165, line 10, insert:

"4. In reviewing the financial and administrative relationships between the Commonwealth and its public higher education institutions, the joint subcommittee established pursuant to Senate Joint

Resolution 90 of the 2004 General Assembly shall review and make recommendation on whether the interest earned in this account should be retained by the University.”

Education: Higher Education
University Of Virginia

Item 213 #8s

Language

Language:

Page 165, line 35, insert:

“O. In conjunction with Senate Joint Resolution 90 of the 2004 General Assembly, the University of Virginia may pursue the development of a prototype charter agreement to present to the joint subcommittee for its consideration in studying the administrative and financial relationships between the Commonwealth and its public institutions of higher education.”

Education: Higher Education
University Of Virginia

Item 213 #9s

Language

Language:

Page 165, line 35, insert:

“O. Out of this appropriation, \$69,000 is provided each year from the general fund and \$53,189 is provided each year from nongeneral funds in support of the State Arboretum at Blandy Farm.”

Education: Higher Education
University Of Virginia

Item 213 #10s

Language

Language:

Page 165, line 35, insert:

“O. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$216,504,154 in nongeneral funds the first year and \$229,001,949 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue.”

Education: Higher Education
University Of Virginia

Item 213 #11s

	FY 04-05	FY 05-06	
	\$7,686,315	\$7,686,315	GF
	\$9,273,040	\$18,917,002	NGF

Language:

Page 162, line 8, strike “\$362,362,301” and insert “\$379,321,656”.

Page 162, line 8, strike “\$372,357,689” and insert “\$398,961,006”.

Page 165, line 35, insert:

“O.1. Out of this appropriation, \$7,686,315 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.

2. Out of this appropriation, the University may allocate funds to attract and retain distinguished faculty clinicians associated with the School of Medicine and the University's related health professional programs."

Education: Higher Education			Item 213 #12s
University Of Virginia	FY 04-05	FY 05-06	
	(\$721,675)	(\$943,349)	GF
	(\$377,892)	(\$755,783)	NGF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$361,262,734".

Page 162, line 8, strike "\$372,357,689" and insert "\$370,658,557".

Page 165, strike lines 10 through 21.

Education: Higher Education			Item 213 #13s
University Of Virginia	FY 04-05	FY 05-06	
	\$1,128,517	\$2,083,416	GF
	\$2,731,780	\$5,043,286	NGF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$366,222,598".

Page 162, line 8, strike "\$372,357,689" and insert "\$379,484,391".

Page 165, line 35, insert:

"O. Out of this appropriation, \$1,128,517 is provided in the first year and \$2,083,416 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Education: Higher Education			Item 213 #14s
University Of Virginia	FY 04-05	FY 05-06	
	\$0	\$333,653	GF
	\$0	\$501,606	NGF

Language:

Page 162, line 8, strike "\$372,357,689" and insert "\$373,192,948".

Education: Higher Education			Item 213 #15s
University Of Virginia	FY 04-05	FY 05-06	
	\$21,867	\$44,843	GF
	(\$22,097)	\$11,844	NGF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$362,362,071".

Page 162, line 8, strike "\$372,357,689" and insert "\$372,414,376".

Education: Higher Education			Item 213 #16s
University Of Virginia	FY 04-05	FY 05-06	
	(\$11,200,000)	(\$23,000,000)	NGF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$351,162,301".

Page 162, line 8, strike "\$372,357,689" and insert "\$349,357,689".

Education: Higher Education
University Of Virginia

Item 213 #17s

Language

Language:

Page 165, line 28, strike "The"

Page 165, strike lines 29 through 34.

Education: Higher Education
University Of Virginia's College At Wise

Item 221 #3s

Language

Language:

Page 168, line 1, insert:

"B. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$4,999,436 in nongeneral funds the first year and \$5,436,120 in nongeneral funds the second year in tuition and mandatory educational and general fee revenue."

Education: Higher Education
University Of Virginia's College At
Wise

Item 221 #4s

FY 04-05	FY 05-06	
\$465,000	\$465,000	GF
\$280,341	\$576,762	NGF

Language:

Page 167, line 32, strike "\$14,138,535" and insert "\$14,883,876".

Page 167, line 32, strike "\$14,135,756" and insert "\$15,177,518".

Page 168, line 1, insert:

"B. Out of this appropriation, \$465,000 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Education: Higher Education
University Of Virginia's College At
Wise

Item 221 #5s

FY 04-05	FY 05-06	
(\$221,112)	(\$221,112)	GF
\$0	\$0	NGF

Language:

Page 167, line 32, strike "\$14,138,535" and insert "\$13,917,423".

Page 167, line 32, strike "\$14,135,756" and insert "\$13,914,644".

Page 167, strike lines 42 through 51.

Education: Higher Education			Item 221 #6s
University Of Virginia's College At	FY 04-05	FY 05-06	
Wise	\$76,960	\$142,080	GF
	\$77,461	\$143,004	NGF

Language:

Page 167, line 32, strike "\$14,138,535" and insert "\$14,292,956".

Page 167, line 32, strike "\$14,135,756" and insert "\$14,420,840".

Page 168, line 1, insert:

"B. Out of this appropriation, \$76,960 is provided in the first year and \$142,080 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Education: Higher Education			Item 221 #7s
University Of Virginia's College At	FY 04-05	FY 05-06	
Wise	\$0	\$127,566	GF
	\$0	\$74,554	NGF

Language:

Page 167, line 32, strike "\$14,135,756" and insert "\$14,337,876".

Education: Higher Education			Item 221 #9s
University Of Virginia's College At	FY 04-05	FY 05-06	
Wise	\$96,886	\$97,052	NGF

Language:

Page 167, line 32, strike "\$14,138,535" and insert "\$14,235,421".

Page 167, line 32, strike "\$14,135,756" and insert "\$14,232,808".

Education: Higher Education			Item 222 #1s
University Of Virginia's College At	FY 04-05	FY 05-06	
Wise	\$206,795	\$206,795	GF

Language:

Page 168, line 1, strike "\$893,115" and insert "\$1,099,910".

Page 168, line 1, strike "\$893,115" and insert "\$1,099,910".

Education: Higher Education			Item 225 #2s
Virginia Commonwealth University			Language

Language:

Page 169, line 39, strike "\$137,500" and insert "\$262,500".

Page 169, line 40, strike "\$137,500" and insert "\$262,500".

Education: Higher Education			Item 225 #5s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$1,700,000	\$1,700,000	GF

Language:

Page 168, line 43, strike "\$316,689,832" and insert "\$318,389,832".

Page 168, line 43, strike "\$328,929,473" and insert "\$330,629,473".

Page 169, line 7, strike "\$5,146,343" and insert "\$7,246,343".

Page 169, line 8, strike "\$5,146,343" and insert "\$7,246,343".

Education: Higher Education			Item 225 #6s
Virginia Commonwealth University			
			Language

Language:

Page 169, line 21, insert:

"4. In the event the Governor imposes across-the-board general fund reductions, pursuant to his executive authority in §4-1.04 of this act, the General Fund appropriation for the Family Practice programs shall be exempt from any reductions provided the general fund appropriation for the family practice program is excluded from the total general fund appropriation for Virginia Commonwealth University for purposes of determining the University's portion of the statewide general fund reduction requirement."

Education: Higher Education			Item 225 #10s
Virginia Commonwealth University			
			Language

Language:

Page 173, line 8, insert:

"Q. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$137,593,464 in nongeneral funds the first year and \$147,641,295 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Education: Higher Education			Item 225 #11s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$14,086,902	\$14,086,902	GF
	\$6,469,808	\$13,263,107	NGF

Language:

Page 168, line 43, strike "\$316,689,832" and insert "\$337,246,542".

Page 168, line 43, strike "\$328,929,473" and insert "\$356,279,482".

Page 173, line 8, insert:

"Q. Out of this appropriation, \$14,086,902 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate,

and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 225 #12s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	(\$1,703,325)	(\$1,956,251)	GF
	(\$200,573)	(\$441,145)	NGF

Language:

Page 168, line 43, strike “\$316,689,832” and insert “\$314,785,934”.

Page 168, line 43, strike “\$328,929,473” and insert “\$326,532,077”.

Page 172, strike lines 41 through 52.

Education: Higher Education			Item 225 #13s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$1,521,646	\$2,809,193	GF
	\$2,042,941	\$3,771,584	NGF

Language:

Page 168, line 43, strike “\$316,689,832” and insert “\$320,254,419”.

Page 168, line 43, strike “\$328,929,473” and insert “\$335,510,250”.

Page 173, line 8, insert:

“Q. Out of this appropriation, \$1,521,646 is provided in the first year and \$2,809,193 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 225 #14s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$0	\$1,956,961	GF
	\$0	\$1,394,117	NGF

Language:

Page 168, line 43, strike “\$328,929,473” and insert “\$332,280,551”.

Education: Higher Education			Item 225 #16s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$0	\$55,000	GF
	\$0	\$83,794	NGF

Language:

Page 168, line 43, strike “\$328,929,473” and insert “\$329,068,267”.

Education: Higher Education			Item 225 #17s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	(\$7,897,781)	(\$17,701,279)	NGF

Language:

Page 168, line 43, strike “\$316,689,832” and insert “\$308,792,051”.

Page 168, line 43, strike "\$328,929,473" and insert "\$311,228,194".

Education: Higher Education
Virginia Commonwealth University

Item 225 #18s

Language

Language:

Page 173, line 1, strike "The"
Page 173, strike lines 2 through 7.

Education: Higher Education
Virginia Commonwealth University

FY 04-05
\$16,913

FY 05-06
\$16,913

Item 226 #1s

GF

Language:

Page 173, line 8, strike "\$11,599,345" and insert "\$11,616,258".
Page 173, line 8, strike "\$11,599,345" and insert "\$11,616,258".

Education: Higher Education
Virginia Community College System

FY 04-05
\$1,364,726
\$725,206

FY 05-06
\$1,364,726
\$725,206

Item 230 #2s

GF
NGF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$509,071,271".
Page 174, line 20, strike "\$517,392,172" and insert "\$519,482,104".

Education: Higher Education
Virginia Community College System

FY 04-05
\$433,567
\$546,433

FY 05-06
\$433,567
\$546,433

Item 230 #3s

GF
NGF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$507,961,339".
Page 174, line 20, strike "\$517,392,172" and insert "\$518,372,172".
Page 178, line 27, insert:

"T. This appropriation includes \$433,567 each year from the general fund and \$546,433 in each year from nongeneral funds for the annual lease or debt service costs of academic space in Fairfax County."

Education: Higher Education
Virginia Community College System

Item 230 #5s

Language

Language:

Page 465, after line 44, insert:
"Sale or lease of interest in real property granted by purchase, deed or gift; the State Board for Community Colleges shall be authorized to lease, sell, or convey any interest it may have in real property that has been or may hereafter be acquired by purchase, will or deed of gift provided that the terms of the lease, sale or conveyance have been reviewed by the Department of General Services to ensure that a fair market value for the use or purchase of the property has been agreed to by all parties. Notwithstanding any other provisions of law, all proceeds from such leases, sales and

conveyances shall be held, used and administered by the Virginia Community College System in the same manner as all other gifts and bequests are held, used and administered.”.

Education: Higher Education			Item 230 #12s
Virginia Community College System	FY 04-05	FY 05-06	
	\$288,560	\$381,168	GF
	\$36,356	\$112,181	NGF

Language:

Page 174, line 20, strike “\$506,981,339” and insert “\$507,306,255”.

Page 174, line 20, strike “\$517,392,172” and insert “\$517,885,521”.

Education: Higher Education			Item 230 #13s
Virginia Community College System	FY 04-05	FY 05-06	
	\$433,566	\$433,566	GF
	\$546,434	\$546,434	NGF

Language:

Page 174, line 20, strike “\$506,981,339” and insert “\$507,961,339”.

Page 174, line 20, strike “\$517,392,172” and insert “\$518,372,172”.

Page 178, line 27, insert:

“T. This appropriation includes \$433,566 each year from the general fund and \$546,434 in each year from nongeneral funds for the annual lease or debt service costs of academic space in the Arlington/Alexandria area.”

Education: Higher Education			Item 230 #14s
Virginia Community College System			

Language

Language:

Page 178, line 27, insert:

“T. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$202,132,774 in nongeneral funds the first year and \$217,051,810 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue.”

Education: Higher Education			Item 230 #15s
Virginia Community College System	FY 04-05	FY 05-06	
	\$32,525,702	\$32,525,702	GF
	\$8,734,934	\$17,906,614	NGF

Language:

Page 174, line 20, strike “\$506,981,339” and insert “\$548,241,975”.

Page 174, line 20, strike “\$517,392,172” and insert “\$567,824,488”.

Page 178, line 27, insert:

“T. Out of this appropriation, \$32,525,702 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate,

and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 230 #16s
Virginia Community College System	FY 04-05	FY 05-06	
	(\$14,503,553)	(\$20,885,499)	GF
	(\$3,384,793)	(\$6,769,586)	NGF

Language:

Page 174, line 20, strike “\$506,981,339” and insert “\$489,092,993”.

Page 174, line 20, strike “\$517,392,172” and insert “\$489,737,087”.

Page 175, strike lines 2 through 13.

Education: Higher Education			Item 230 #17s
Virginia Community College System	FY 04-05	FY 05-06	
	\$2,353,291	\$4,344,537	GF
	\$2,272,410	\$4,195,218	NGF

Language:

Page 174, line 20, strike “\$506,981,339” and insert “\$511,607,040”.

Page 174, line 20, strike “\$517,392,172” and insert “\$525,931,927”.

Page 162, line 35, insert:

“O. Out of this appropriation, \$2,353,291 is provided in the first year and \$4,344,537 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 230 #18s
Virginia Community College System	FY 04-05	FY 05-06	
	\$0	\$5,899,010	GF
	\$0	\$3,527,642	NGF

Language:

Page 174, line 20, strike “\$517,392,172” and insert “\$526,818,824”.

Education: Higher Education			Item 230 #20s
Virginia Community College System	FY 04-05	FY 05-06	
	\$4,547,805	\$4,547,805	NGF

Language:

Page 174, line 20, strike “\$506,981,339” and insert “\$511,529,144”.

Page 174, line 20, strike “\$517,392,172” and insert “\$521,939,977”.

Education: Higher Education			Item 231 #1s
Virginia Community College System	FY 04-05	FY 05-06	
	\$1,418,598	\$1,418,598	GF

Language:

Page 178, line 27, strike “\$71,178,055” and insert “\$72,596,653”.

Page 178, line 27, strike "\$71,178,055" and insert "\$72,596,653".

Education: Higher Education			Item 237 #1s
Virginia Military Institute			
			Language

Language:

Page 180, line 1, insert:

"B. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$14,315,824 in nongeneral funds the first year and \$15,091,081 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Education: Higher Education			Item 237 #2s
Virginia Military Institute			
	FY 04-05	FY 05-06	
	(\$89,707)	(\$145,564)	GF
	(\$606,835)	(\$606,835)	NGF

Language:

Page 179, line 32, strike "\$23,286,222" and insert "\$22,589,680".

Page 179, line 32, strike "\$23,287,948" and insert "\$22,535,549".

Page 179, strike lines 43 through 53.

Education: Higher Education			Item 237 #4s
Virginia Military Institute			
	FY 04-05	FY 05-06	
	\$66,015	\$121,872	GF
	\$188,219	\$347,481	NGF

Language:

Page 179, line 32, strike "\$23,286,222" and insert "\$23,540,456".

Page 179, line 32, strike "\$23,287,948" and insert "\$23,757,301".

Page 180, line 1, insert:

"B. Out of this appropriation, \$66,015 is provided in the first year and \$121,872 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Education: Higher Education			Item 237 #5s
Virginia Military Institute			
	FY 04-05	FY 05-06	
	\$1,608,737	\$2,224,732	NGF

Language:

Page 179, line 32, strike "\$23,286,222" and insert "\$24,894,959".

Page 179, line 32, strike "\$23,287,948" and insert "\$25,512,680".

Education: Higher Education			Item 238 #1s
Virginia Military Institute			
	FY 04-05	FY 05-06	
	\$23,692	\$23,692	GF

Language:

Page 180, line 1, strike "\$798,494" and insert "\$822,186".

Page 180, line 1, strike "\$798,494" and insert "\$822,186".

Education: Higher Education
Virginia Military Institute

Item 240 #1s

Language

Language:

Page 180, line 40, strike "\$204,201" and insert "\$199,660".

Page 180, line 41, strike "\$1,199,503" and insert "\$1,172,824".

Education: Higher Education
Virginia Polytechnic Institute And State University

Item 242 #1s

Language

Language:

Page 182, line 51, insert:

"J. In conjunction with Senate Joint Resolution 90 of the 2004 General Assembly, Virginia Polytechnic Institute and State University may pursue the development of a prototype charter agreement to present to the joint subcommittee for its consideration in studying the administrative and financial relationships between the Commonwealth and its public institutions of higher education."

Education: Higher Education
Virginia Polytechnic Institute And State University

Item 242 #2s

Language

Language:

Page 182, line 51, insert:

"J. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$188,136,345 in nongeneral funds the first year and \$199,897,309 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue."

Education: Higher Education
Virginia Polytechnic Institute And State
University

Item 242 #3s

	FY 04-05	FY 05-06	
	\$8,221,211	\$8,221,211	GF
	\$8,638,192	\$17,708,294	NGF

Language:

Page 181, line 28, strike "\$362,411,049" and insert "\$379,270,452".

Page 181, line 28, strike "\$361,243,110" and insert "\$387,172,615".

Page 182, line 51, insert:

"J. Out of this appropriation, \$8,221,211 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate,

and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 242 #4s
Virginia Polytechnic Institute And State University	FY 04-05 (\$513,276) (\$657,842)	FY 05-06 (\$976,551) (\$1,315,685)	GF NGF

Language:

Page 181, line 28, strike “\$362,411,049” and insert “\$361,239,931”.
 Page 181, line 28, strike “\$361,243,110” and insert “\$358,950,874”.
 Page 182, strike lines 26 through 37.

Education: Higher Education			Item 242 #5s
Virginia Polytechnic Institute And State University	FY 04-05 \$1,234,679 \$2,233,194	FY 05-06 \$2,279,408 \$5,081,469	GF NGF

Language:

Page 181, line 28, strike “\$362,411,049” and insert “\$365,878,922”.
 Page 181, line 28, strike “\$361,243,110” and insert “\$368,603,987”.
 Page 182, line 51, insert:
 “J. Out of this appropriation, \$1,234,679 is provided in the first year and \$2,279,408 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 242 #6s
Virginia Polytechnic Institute And State University	FY 04-05 (\$2,466,505)	FY 05-06 (\$2,740,891)	NGF

Language:

Page 181, line 28, strike “\$362,411,049” and insert “\$359,944,544”.
 Page 181, line 28, strike “\$361,243,110” and insert “\$358,502,219”.

Education: Higher Education			Item 242 #7s
Virginia Polytechnic Institute And State University			Language

Language:

Page 182, line 44, strike “The”
 Page 182, strike lines 45 through 50.

Education: Higher Education			Item 246 #1s
Virginia Cooperative Extension And Agricultural Experiment Station	FY 04-05 \$2,089,286 39.00	FY 05-06 \$2,089,286 39.00	GF FTE

Language:

Page 184, line 39, strike "\$71,748,805" and insert "\$73,838,091".

Page 184, line 39, strike "\$72,023,805" and insert "\$74,113,091".

Education: Higher Education

Item 246 #3s

Virginia Cooperative Extension And Agricultural Experiment Station

Language

Language:

Page 185, strike the remainder of line 22, after "profitability."

Page 185, strike lines 23 through 26.

Education: Higher Education

Item 246 #4s

Virginia Cooperative Extension And

FY 04-05

FY 05-06

Agricultural Experiment Station

\$628,440

\$1,160,197

GF

\$170,102

\$314,034

NGF

Language:

Page 184, line 39, strike "\$71,748,805" and insert "\$72,547,347".

Page 184, line 39, strike "\$72,023,805" and insert "\$73,498,036".

Page 185, line 27, insert:

"E. Out of this appropriation, \$628,440 is provided in the first year and \$1,160,197 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade."

Education: Higher Education

Item 247 #2s

Virginia State University

Language

Language:

Page 187, line 1, insert:

"E. With approval from the Secretary of Education, Virginia State University is authorized to implement upgrades to the campus administrative system from nongeneral fund resources, including tuition and fee revenue."

Education: Higher Education

Item 247 #3s

Virginia State University

FY 04-05

FY 05-06

(\$187,000)

\$0

GF

Language:

Page 185, line 43, strike "\$46,022,902" and insert "\$45,835,902".

Page 186, line 41, after "facilities", strike "." and insert:

“, and costs associated with upgrading the campus telecommunications network.”

Education: Higher Education

Item 247 #4s

Virginia State University

Language

Language:

Page 187, line 1, insert:

“E. In accordance with Section 4-2.01 of this Act, the institution may generate up to \$21,536,648 in nongeneral funds the first year and \$24,278,188 in nongeneral funds the second year from tuition and mandatory educational and general fee revenue.”

Education: Higher Education			Item 247 #5s
Virginia State University	FY 04-05	FY 05-06	
	\$536,564	\$536,564	GF
	\$1,661,721	\$3,456,380	NGF

Language:

Page 185, line 43, strike “\$46,022,902” and insert “\$48,221,187”.

Page 185, line 43, strike “\$45,978,142” and insert “\$49,971,086”.

Page 187, line 1, insert:

“E. Out of this appropriation, \$536,564 is provided from the general fund each year to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 247 #6s
Virginia State University	FY 04-05	FY 05-06	
	(\$319,038)	(\$319,038)	GF

Language:

Page 185, line 43, strike “\$46,022,902” and insert “\$45,703,864”.

Page 185, line 43, strike “\$45,978,142” and insert “\$45,659,104”.

Page 185, strike lines 44 through 53.

Education: Higher Education			Item 247 #7s
Virginia State University	FY 04-05	FY 05-06	
	\$160,526	\$296,355	GF
	\$329,227	\$607,803	NGF

Language:

Page 185, line 43, strike “\$46,022,902” and insert “\$46,512,655”.

Page 185, line 43, strike “\$45,978,142” and insert “\$46,882,300”.

Page 187, line 1, insert:

“E. Out of this appropriation, \$160,526 is provided in the first year and \$296,355 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment

and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Higher Education			Item 247 #8s
Virginia State University	FY 04-05	FY 05-06	
	\$0	\$553,524	GF
	\$0	667,555	NGF

Language:

Page 185, line 43, strike “\$45,978,142” and insert “\$47,199,221”.

Education: Higher Education			Item 247 #9s
Virginia State University	FY 04-05	FY 05-06	
	\$329,757	\$329,757	GF

Language:

Page 185, line 43, strike “\$46,022,902” and insert “\$46,352,659”.

Page 185, line 43, strike “\$45,978,142” and insert “\$46,307,899”.

Education: Higher Education			Item 247 #10s
Virginia State University	FY 04-05	FY 05-06	
	(\$114,672)	(\$348,461)	GF
	\$114,672	\$348,461	NGF

Language:

Education: Higher Education			Item 247 #11s
Virginia State University	FY 04-05	FY 05-06	
	\$1,525,854	\$1,519,763	NGF

Language:

Page 185, line 43, strike “\$46,022,902” and insert “\$47,548,756”.

Page 185, line 43, strike “\$45,978,142” and insert “\$47,497,905”.

Education: Higher Education			Item 251 #1s
Cooperative Extension And Agricultural Research Services	FY 04-05	FY 05-06	
	\$20,117	\$37,138	GF
	\$741	\$1,368	NGF

Language:

Page 187, line 34, strike “\$7,275,641” and insert “\$7,296,499”.

Page 187, line 34, strike “\$8,083,452” and insert “\$8,121,958”.

Page 188, line 18, insert:

“D. Out of this appropriation, \$20,117 is provided in the first year and \$37,138 is provided in the second year from the general fund for the state share of a three percent salary increase for all faculty, effective November 25, 2004. In combination with these funds, the University, with approval from its governing board, may use nongeneral fund revenues to support up to an additional 1.5 percent salary increase for teaching and research faculty, effective November 25, 2004. This additional authority is provided to assist the institution in addressing issues of faculty retention and recruitment

and to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions by the end of the decade.”

Education: Other			Item 254 #2s
Jamestown-Yorktown Foundation	FY 04-05	FY 05-06	
	\$153,000	\$362,000	GF
	\$153,000	\$362,000	NGF
	3.00	7.00	FTE

Language:

Page 189, line 14, strike “\$12,086,638” and insert “\$12,392,638”.

Page 189, line 14, strike “\$12,216,411” and insert “\$12,940,411”.

Education: Other			Item 255 #1s
Jamestown 2007			
			Language

Language:

Page 192, after line 18, insert:

“G. Except as provided otherwise in this paragraph, the provisions of the Virginia Public Procurement Act (§ 2.2-4300 et seq., Code of Virginia) shall not apply to the expenditure of funds from the Virginia 400th Anniversary Fund. However, the provisions of this paragraph shall not be effective until such time as the Board of Trustees of the Jamestown-Yorktown Foundation has adopted guidelines generally applicable to the procurement of goods and services by the Jamestown-Yorktown Foundation and Jamestown 2007 through the expenditure of funds from the Virginia 400th Anniversary Fund. The guidelines shall implement a system of competitive negotiation for professional services; shall prohibit discrimination because of race, religion, color, sex or national origin of the bidder or offeror in the solicitation or award of contracts; may take into account in all cases the dollar amount of the intended procurement, the term of the anticipated contract, and the likely extent of competition; may implement a prequalification procedure for contractors or products; may include provisions for cooperative procurement arrangements; shall incorporate the prompt payment principles of §§ 2.2-4350 and 2.2-4354, Code of Virginia; and may implement provisions of law. The following sections of the Virginia Public Procurement Act shall continue to apply to procurement by the Jamestown-Yorktown Foundation and Jamestown 2007 with funds from the Virginia 400th Anniversary Fund: §§ 2.2-4311, 2.2-4315, 2.2-4330, 2.2-4333 through 2.2-4338, 2.2-4340 through 2.2-4342, and 2.2-4367 through 2.2-4377, Code of Virginia.”

Education: Other			Item 259 #1s
The Library Of Virginia	FY 04-05	FY 05-06	
	\$250,000	\$250,000	GF

Language:

Page 194, line 1, strike “\$16,191,477” and insert “\$16,441,477”.

Page 194, line 1, strike “\$16,191,477” and insert “\$16,441,477”.

Education: Other			Item 260 #1s
The Library Of Virginia			
			Language

Language:

Page 194, strike lines 14-18.

Education: Other

Virginia Commission For The Arts

Item 262 #1s

Language

Language:

Page 195, strike lines 27 through 33.

Education: Other

Virginia Museum Of Fine Arts

Item 264 #1s

Language

Language:

Page 196, line 27, insert:

“D. Notwithstanding any other provisions of law, the payment to the City of Richmond for payment in lieu of taxes for FY 2005 and FY 2006 shall not exceed \$158,513.”

Education: Higher Education

Eastern Virginia Medical School

FY 04-05

\$370,481

FY 05-06

\$370,481

Item 265 #2s

GF

Language:

Page 196, line 36, strike “\$11,847,875” and insert “\$12,218,356”.

Page 196, line 36, strike “\$11,847,875” and insert “\$12,218,356”.

Education: Higher Education

Institute For Advanced Learning And Research

FY 04-05

\$2,080,839

FY 05-06

\$2,080,839

Item 267 #1s

GF

Language:

Page 198, line 39, strike “\$1,521,681” and insert “\$3,602,520”.

Page 198, line 39, strike “\$1,521,681” and insert “\$3,602,520”.

Page 198, line 45, strike “\$1,521,681 in the first year and \$1,521,681 in the second year” and insert “\$3,062,520 in the first year and \$5,609,281 in the second year”

Education: Higher Education

Roanoke Higher Education Authority

FY 04-05

\$179,463

FY 05-06

\$179,463

Item 268 #1s

GF

Language:

Page 199, line 21, strike “\$618,075” and insert “\$797,538”.

Page 199, line 21, strike “\$618,075” and insert “\$797,538”.

Education: Higher Education

Southeastern Universities Research Association, Incorporated

FY 04-05

\$0

FY 05-06

\$0

Item 269 #1s

GFLanguage

Language:

Page 200, line 19, insert “C. Pursuant to Item 506 F. of this Act, a three-year grant totaling \$500,000 each year shall be provided to the Authority through the Commonwealth Technology Research Fund to support the development of the Hampton Roads Research Institute.”

Education: Higher Education Item 270 #1s
 Virginia College Building Authority

Language

Language:

Page 201, lines 30 and 31, strike “\$52,168,843” and insert “\$53,668,843”

Page 202, line 4, strike “\$500,000” in each year and insert “\$2,000,000” in each year.

Finance Item 272 #2s
 Department Of Accounts

Language

Language:

Page 203, line 43, strike “The” and insert “A.The”

Page 203, after line 46, insert:

“B. As a condition of the appropriation in this item, the Department shall provide to the Chairmen of the House Appropriations and Senate Finance Committees the expenditure and revenue reports necessary for timely legislative oversight of state finances. The necessary reports include monthly and year-end versions and shall be provided in an interactive electronic format agreed upon by the Chairmen of the House Appropriations and Senate Finance Committees, or their designees, and the Comptroller. Delivery of these reports shall occur by way of electronic mail or other methods to ensure their receipt within forty-eight hours of their initial run after the close of the business month.”

Finance			Item 274 #1s
Department Of Accounts	FY 04-05	FY 05-06	
	(\$2,460,000)	(\$3,280,000)	GF
	-13.00	-18.00	FTE

Language:

Page 204, line 7, strike “\$5,757,749” and insert “\$3,297,749”.

Page 204, line 7, strike “\$6,577,749” and insert “\$3,297,749”.

Finance			Item 274 #2s
Department Of Accounts	FY 04-05	FY 05-06	
	\$450,000	\$450,000	GF
	5.00	5.00	FTE

Language:

Page 204, line 7, strike “\$5,757,749” and insert “\$6,207,749”.

Page 204, line 7, strike “\$6,577,749” and insert “\$7,027,749”.

Finance			Item 280 #1s
Department Of Accounts Transfer	FY 04-05	FY 05-06	
Payments	\$0	\$100,000,000	GF

Language:

Page 207, line 10, strike "\$87,000,000" and insert "\$187,000,000".

Finance			Item 282 #1s
Department Of Accounts Transfer	FY 04-05	FY 05-06	
Payments	(\$640,000)	(\$1,980,000)	GF

Language:

Page 207, line 49, strike "\$2,500,000" and insert "\$1,860,000".

Page 207, line 49, strike "\$3,110,000" and insert "\$1,130,000".

Finance			Item 283 #1s
Department Of Planning And Budget	FY 04-05	FY 05-06	
	\$250,000	\$250,000	NGF
	2.00	2.00	FTE

Language:

Page 208, line 23, strike "\$5,551,734" and insert "\$5,801,734".

Page 208, line 23, strike "\$5,586,983" and insert "\$5,836,983".

Page 208, line 27, following "Virginia" insert "and Title 2.2, Chapter 26, Article 8, Code of Virginia".

Page 209, following line 9, insert:

"D.1. The Department of Planning and Budget shall provide staffing and operational support for the Commonwealth Competition Council. Other state agencies and institutions of the Commonwealth shall assist the Commonwealth Competition Council in its work, upon request of the chairman of the Council.

2. There is hereby created on the books of the Comptroller a special, nonreverting fund known as the "Commonwealth Competition Council Savings Recovery Fund." The special fund appropriation in this item provides \$250,000 each year from the Fund to cover the costs of the staffing and operational support that the Department of Planning and Budget provides to the council.

3. Prior to April 1 of each year, the Director of the Department of Planning and Budget shall notify the Auditor of Public Accounts of any savings recommendations put forth by the Commonwealth Competition Council in which the savings are likely to be realized in the current fiscal year or in the fiscal year beginning on the next July 1 after such notification. The Auditor of Public Accounts shall audit the implementation of such savings recommendations and shall certify to the State Comptroller by June 1 each year the total of any savings realized by state agencies or institutions as a result of the recommendations of the Commonwealth Competition Council. By July 1 of each year, the State Comptroller shall transfer 10 percent of such certified savings to the Commonwealth Competition Council Savings Recovery Fund for support of the Council's operations. If such savings have since accrued to the benefit of the general fund of the Commonwealth, either by subsequent budgetary action or by reversion, at the time of such certification by the Auditor of Public Accounts, the State Comptroller shall transfer the equivalent of 10 percent of the affected certified savings from the general fund to the Commonwealth Competition Council Savings Recovery Fund. The total amount transferred to the Commonwealth Competition Council Savings Recovery Fund in accordance with the above provisions shall not exceed \$500,000 in any fiscal year."

Finance		Item 286 #1s
Department Of Taxation		
		Language

Language:

Page 214, after line 29, insert:

“H. Notwithstanding § 58.1-439.12:01 D of Senate Bill 537 (2004 Session), the department is authorized to prorate, with no repayment necessary in succeeding fiscal years, the amount of award each eligible corporation receives to match the maximum allocation of tax credits stipulated in § 58.1-439.12:01 C of Senate Bill 537.”

Finance			Item 286 #2s
Department Of Taxation	FY 04-05	FY 05-06	
	(\$251,326)	(\$251,326)	GF

Language:

Page 210, line 11, strike “\$47,996,407” and insert “\$47,745,081”.

Page 210, line 11, strike “\$47,903,407” and insert “\$47,652,081”.

Finance			Item 286 #3s
Department Of Taxation	FY 04-05	FY 05-06	
	(\$2,408,376)	(\$1,551,529)	GF
	-20.00	-20.00	FTE

Language:

Page 210, line 11, strike “\$47,996,407” and insert “\$45,588,031”.

Page 210, line 11, strike “\$47,903,407” and insert “\$46,351,878”.

Finance			Item 286 #4s
Department Of Taxation	FY 04-05	FY 05-06	
	(\$854,951)	(\$871,030)	GF

Language:

Page 210, line 11, strike “\$47,996,407” and insert “\$47,141,456”.

Page 210, line 11, strike “\$47,903,407” and insert “\$47,032,377”.

Finance			Item 290 #1s
Department Of The Treasury	FY 04-05	FY 05-06	
	\$1,124,883	\$0	GF

Language:

Page 216, line 33, strike “\$7,387,807” and insert “\$8,512,690”.

Page 216, after line 54, insert:

“C.1 From the amounts appropriated in Insurance Services, there shall be paid for the relief of Julius Earl Ruffin from the general fund, upon execution of a release of all claims he may have against the Commonwealth or any agency, instrumentality, officer, employee, or political subdivision, (i) the sum of \$500,000 to be paid to Julius Earl Ruffin on or before August 1, 2004, by check issued by the State Treasurer on warrant of the Comptroller and (ii) an annuity for the primary benefit of Julius Earl Ruffin providing for equal monthly payments for a period certain of thirty years commencing on or before September 1, 2004, in the cumulative amount of \$1,000,000.

2. The State Treasurer shall purchase the annuity at the lowest cost available from any A+ rated company, including any A+ rated company from which the State Lottery Department may purchase an annuity, and such annuity shall contain beneficiary provisions providing for the annuity's continued disbursement in the event of the death of Julius Earl Ruffin.”

Finance			Item 290 #2s
Department Of The Treasury	FY 04-05	FY 05-06	
	(\$48,674)	(\$48,674)	GF

Language:

Page 216, line 33, strike "\$7,387,807" and insert "\$7,339,133".

Page 216, line 33, strike "\$7,287,807" and insert "\$7,239,133".

Finance			Item 295.10 #1s
Treasury Board	FY 04-05	FY 05-06	
	\$12,378,875	\$12,878,875	GF

Language:

Page 220, following line 35

"295.10. Capital Repairs and Improvements Revolving Fund \$12,378,875 \$12,878,875

Fund Sources: General \$12,378,875 \$12,878,875."

The appropriation to this item is the initial deposit of \$12,378,875 GF the first year and \$12,878,875 GF the second year to the Capital Repairs and Improvements Revolving Fund, as provided for in Item C-194.1 of this act. Upon attaining a cash balance sufficient to sustain revolving loans of \$25,000,000 annually, the Virginia Public Building Authority may make loans from the fund to address necessary repairs, improvements and to address deferred maintenance as provided for in Item C-194.1."

Finance			Item 296 #1s
Treasury Board	FY 04-05	FY 05-06	
	\$0	\$163,218	GF

Language:

Page 220, line 36, strike "\$345,609,242" and insert "\$345,772,460".

Page 222, line 12, strike "\$54,406" and insert "\$217,624"

Finance			Item 296 #1s
Treasury Board	FY 04-05	FY 05-06	
	(\$2,475,875)	(\$2,503,695)	GF

Language:

Page 220, line 36, strike "\$299,294,769" and insert "\$296,818,894".

Page 220, line 36, strike "\$345,609,242" and insert "\$343,105,547".

Page 224, line 3, strike "\$7,523,468" and insert "\$7,347,593".

Page 224, line 3, strike "\$28,601,563" and insert "\$28,097,868".

Page 224, line 6, strike "\$1,494,938" and insert "\$1,319,063".

Page 224, line 6, strike "\$10,054,633" and insert "\$9,550,938".

Finance			Item 296 #7s
Treasury Board	FY 04-05	FY 05-06	
	\$929,277	\$5,052,529	GF

Language:

Page 220, line 36, strike "\$299,294,769" and insert "\$300,224,046".

Page 220, line 36, strike "\$345,609,242" and insert "\$350,661,771".

Health And Human Resources			Item 298 #2s
Secretary Of Health And Human Resources			
			Language

Language:

Page 228, after line 8, insert:

“The Secretary of Health and Human Resources, with agencies assisting as requested, shall study the availability of obstetrical services throughout the Commonwealth. In conducting the study, the Secretary shall: (i) assess the current availability of obstetrical services in the Commonwealth and identify any areas of the Commonwealth where there is inadequate access to such services; (ii) identify the main reasons why there are areas of the Commonwealth where there is inadequate access to obstetrical care; (iii) identify any specific problems regarding access to obstetrical care for Medicaid and FAMIS enrollees; (iv) evaluate the current availability and affordability of malpractice insurance for obstetricians and assess the degree to which this may be contributing to the lack of access to obstetrical care in certain areas of the Commonwealth; and (v) recommend actions that can be taken to improve access to obstetrical care throughout the Commonwealth. The Bureau of Insurance shall assist the Secretary in conducting this study and provide support and information regarding the availability of malpractice insurance and the trends in such premiums over the last ten years and future projections. The Secretary shall report the findings of the study to the Governor, and to the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2004.”

Health And Human Resources Item 299 #1s
Comprehensive Services For At-Risk Youth And Families Language

Language:

Page 231, after line 50, insert:

“F. The State Executive Council for the Comprehensive Services Act shall investigate the reasons leading to the practice of parents relinquishing custody of their children solely to obtain necessary and appropriate mental health services. The State Executive Council shall recommend policy options, including legislative action if appropriate, for abolishing this practice while continuing to make the services available and accessible to the children, and report to the Chairmen of the House Appropriations and Senate Finance Committees, and to the Chairman of the Joint Commission on Health Care, by November 1, 2004.”

Health And Human Resources Item 301 #1s
Department For The Aging FY 04-05 FY 05-06
\$70,191 \$70,191 GF

Language:

- Page 232, line 16, strike “\$26,433,352” and insert “\$26,503,543”.
- Page 232, line 16, strike “\$26,573,352” and insert “\$26,643,543”.
- Page 233, line 24, strike “\$329,809” and insert “\$400,000”.
- Page 233, line 25, strike “\$329,809” and insert “\$400,000”.

Health And Human Resources Item 301 #2s
Department For The Aging FY 04-05 FY 05-06
\$1,000,000 \$1,000,000 GF

Language:

- Page 232, line 16, strike “\$26,433,352” and insert “\$27,433,352”.
- Page 232, line 16, strike “\$26,573,352” and insert “\$27,573,352”.
- Page 233, after line 39, insert:

“K. Out of this appropriation, \$1,000,000 from the general fund each year shall be provided to area agencies on aging to meet the documented needs of the elderly in local communities.”

Health And Human Resources			Item 301 #3s
Department For The Aging	FY 04-05	FY 05-06	
	\$200,000	\$200,000	GF

Language:

Page 232, line 16, strike “\$26,433,352” and insert “\$26,633,352”.

Page 232, line 16, strike “\$26,573,352” and insert “\$26,773,352”.

Health And Human Resources			Item 301 #9s
Department For The Aging			
			Language

Language:

Page 232, strike lines 48 through 52.

Page 233, strike lines 1 and 2.

Health And Human Resources			Item 302 #1s
Department For The Aging	FY 04-05	FY 05-06	
	\$400,000	\$400,000	GF

Language:

Page 233, line 40, strike “\$15,711,959” and insert “\$16,111,959”.

Page 233, line 40, strike “\$15,711,959” and insert “\$16,111,959”.

Page 234, after line 40, insert:

“E. Out of this appropriation, \$400,000 from the general fund each year shall be provided to area agencies on aging for the documented need for congregate or home-delivered meals.”

Health And Human Resources			Item 306 #1s
Department Of Health	FY 04-05	FY 05-06	
	\$200,000	\$200,000	GF

Language:

Page 235, line 33, strike “\$1,851,884” and insert “\$2,051,884”.

Page 235, line 33, strike “\$1,851,884” and insert “\$2,051,884”.

Page 236, line 16, strike “\$300,000” and insert “\$500,000”.

Page 236, line 17, strike “\$300,000” and insert “\$500,000”.

Health And Human Resources			Item 306 #4s
Department Of Health	FY 04-05	FY 05-06	
	\$25,000	\$25,000	GF

Language:

Page 235, line 33, strike “\$1,851,884” and insert “\$1,876,884”.

Page 235, line 33, strike “\$1,851,884” and insert “\$1,876,884”.

Page 236, line 44, strike “\$25,000” and insert “\$50,000”.

Page 236, line 45, strike "\$25,000" and insert "\$50,000".

Health And Human Resources			Item 306 #5s
Department Of Health	FY 04-05	FY 05-06	
	\$560,568	\$560,568	GF
	(\$560,568)	(\$560,568)	NGF

Language:

Page 235, line 41, strike "\$220,396" and insert "\$780,964".

Page 235, strike line 42 and insert "fund each year".

Page 236, strike line 43.

Page 236, strike "nongeneral funds the second year".

Health And Human Resources			Item 307 #2s
Department Of Health			
			Language

Language:

Page 238, line 2, after "services" insert a period.

Page 238, delete lines 3 through 6.

Health And Human Resources			Item 310 #1s
Department Of Health	FY 04-05	FY 05-06	
	\$48,500	\$48,500	GF

Language:

Page 238, line 34, strike "\$89,997,059" and insert "\$90,045,559".

Page 238, line 34, strike "\$91,107,059" and insert "\$91,155,559".

Page 239, after line 15, insert:

"D. Out of this appropriation, \$48,500 from the general fund each year shall be used to purchase prescription medications for individuals who have drug-resistant tuberculosis and require prolonged treatment services."

Health And Human Resources			Item 310 #2s
Department Of Health	FY 04-05	FY 05-06	
	\$51,500	\$51,500	GF

Language:

Page 238, line 34, strike "\$89,997,059" and insert "\$90,048,559".

Page 238, line 34, strike "\$91,107,059" and insert "\$91,158,559".

Page 239, after line 15, insert:

"D. Out of this appropriation, \$51,500 from the general fund each year shall be used to purchase medications for individuals who have tuberculosis but who do not qualify for free or reduced prescription drugs and who do not have adequate income or insurance coverage to purchase the required prescription drugs."

Health And Human Resources			Item 311 #1s
Department Of Health	FY 04-05	FY 05-06	
	\$225,000	\$225,000	GF

Language:

Page 239, line 16, strike "\$2,926,102" and insert "\$3,151,102".

Page 239, line 16, strike "\$2,926,102" and insert "\$3,151,102".

Page 239, line 26, strike "\$333,072" and insert "\$558,072".

Page 239, line 27, strike "\$333,072" and insert "\$558,072".

Health And Human Resources			Item 311 #2s
Department Of Health	FY 04-05	FY 05-06	
	\$60,000	\$60,000	GF
	1.00	1.00	FTE

Language:

Page 239, line 16, strike "\$2,926,102" and insert "\$2,986,102".

Page 239, line 16, strike "\$2,926,102" and insert "\$2,986,102".

Health And Human Resources			Item 312 #1s
Department Of Health	FY 04-05	FY 05-06	
	\$110,000	\$110,000	GF

Language:

Page 240, line 15, strike "\$5,176,490" and insert "\$5,286,490".

Page 240, line 15, strike "\$5,176,490" and insert "\$5,286,490".

Page 242, after line 30, insert:

"C. Out of this appropriation, \$110,000 from the general fund each year shall be transferred to the Rx Partnership to improve access to free medications for low-income Virginians."

Health And Human Resources			Item 312 #2s
Department Of Health	FY 04-05	FY 05-06	
	\$100,000	\$100,000	GF

Language:

Page 240, line 15, strike "\$5,176,490" and insert "\$5,276,490".

Page 240, line 15, strike "\$5,176,490" and insert "\$5,276,490".

Page 240, line 22, strike "\$125,000" and insert "\$225,000".

Page 240, line 23, strike "\$125,000" and insert "\$225,000".

Health And Human Resources			Item 312 #3s
Department Of Health	FY 04-05	FY 05-06	
	\$100,000	\$100,000	GF

Language:

Page 240, line 15, strike "\$5,176,490" and insert "\$5,276,490".

Page 240, line 15, strike "\$5,176,490" and insert "\$5,276,490".

Page 241, after line 56, insert:

"H. Out of this appropriation, \$100,000 from the general fund each year shall be provided to the Virginia Primary Care Association to provide gap coverage for obstetrical services in rural communities at risk of losing obstetrical services."

Health And Human Resources			Item 314 #3s
Department Of Health			

Language

Language:

Page 242, line 53, strike each "\$180,000" and insert "\$200,000".

Page 243, after line 29, insert:

“3. Of this appropriation, \$200,000 each year from federal funds shall be paid to the Virginia Health Care Foundation for programs that assist low-income persons in the acquisition of reduced cost medication from pharmaceutical manufacturers.”

Health And Human Resources			Item 314 #5s
Department Of Health	FY 04-05	FY 05-06	
	\$250,000	\$250,000	GF

Language:

Page 242, line 31, strike “\$166,547,101” and insert “\$166,797,101”.

Page 242, line 31, strike “\$166,547,101” and insert “\$166,797,101”.

Page 242, line 52, strike “\$1,800,571” and insert “\$2,050,571”.

Page 242, line 53, strike “\$1,800,571” and insert “\$2,050,571”.

Page 243, after line 29, insert:

“3. Of this appropriation, \$250,000 each year from the general fund shall be paid to the Virginia Health Care Foundation to expand the Pharmacy Connect program to unserved or underserved regions of the Commonwealth.”

Health And Human Resources			Item 322 #2s
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$300,000	\$200,000	GF
	\$300,000	\$200,000	NGF
	2.00	2.00	FTE

Language:

Page 246, line 25, strike “\$75,013,771” and insert “\$75,613,771”.

Page 246, line 25, strike “\$75,013,728” and insert “\$75,413,728”.

Page 248, after line 17, insert:

“G. Included in this appropriation is \$300,000 from the general fund and \$300,000 from nongeneral funds in the first year and \$200,000 from the general fund and \$200,000 from nongeneral funds in the second year for the Department of Medical Assistance Services (DMAS) to complete a baseline encounter data validation study to assess the accuracy, completeness, and quality of encounter data from contracted Medicaid/FAMIS managed care plans and from the DMAS Medicaid Management Information System. The study objectives include: an assessment of encounter data used for managed care plan rate-setting and risk-adjustment, the development of necessary revisions to the recently implemented DMAS Medicaid Management Information System, and feedback to the health plans in the form of Data Quality Improvement Plans.”

Health And Human Resources			Item 322 #3s
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$250,000	\$150,000	GF
	\$250,000	\$150,000	NGF
	2.00	2.00	FTE

Language:

Page 246, line 25, strike “\$75,013,771” and insert “\$75,513,771”.

Page 246, line 25, strike “\$75,013,728” and insert “\$75,313,728”.

Health And Human Resources			Item 322 #4s
Department Of Medical Assistance Services			
			Language

Language:

Page 248, after line 17, insert:

“G. The Department of Medical Assistance Services shall study the degree to which hospital emergency rooms are being used by Medicaid fee-for-service clients for non-emergency care, and identify actions that could be taken to limit inappropriate use of this treatment setting. In conducting its review, the Department shall: (i) assess recent trends in emergency room use by Medicaid fee-for-service enrollees; (ii) estimate the incidence of Medicaid clients using the emergency room for non-emergency care; (iii) identify effective actions taken by the HMOs participating in the Department's managed care program as well as other state Medicaid programs to limit inappropriate use of the emergency room; (iv) consult with physicians and hospitals in assessing and developing programs that direct patients to primary care settings; and (v) recommend actions that can be taken to ensure emergency room usage by Medicaid fee-for-service clients is appropriate and medically necessary. The Department shall report its findings and recommendations to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees by November 1, 2004.”

Health And Human Resources			Item 322 #5s
Department Of Medical Assistance Services	FY 04-05	FY 05-06	
	\$638,100	\$638,100	GF
	\$314,400	\$314,400	NGF
	4.00	4.00	FTE

Language:

Page 246, line 25, strike “\$75,013,771” and insert “\$75,966,271”.

Page 246, line 25, strike “\$75,013,728” and insert “\$75,966,228”.

Page 248, after line 17, insert:

“G. The Department of Medical Assistance Services shall have the authority to amend the Medallion II waiver to allow the Department to carve out dental services provided to children under the age of 21 from Medicaid managed care. In addition, the Department shall have the authority to amend the State Plans for Titles XIX (Medical Assistance Services) and XXI (Family Access to Medical Insurance Security) of the Social Security Act, as required by applicable statute and regulations to provide dental services to children enrolled in these programs on a fee-for-service basis. The Department shall have the authority to enact emergency regulations under Section 2.2-4011 of the Administrative Process Act, to effect this provision. The Department of Medical Assistance Services may consider outsourcing such dental services to children under age 21 to an administrative services program.”

Health And Human Resources			Item 326 #3s
Department Of Medical Assistance Services	FY 04-05	FY 05-06	
	\$3,992,156	\$4,210,160	GF
	\$3,992,156	\$4,210,160	NGF

Language:

Page 250, line 37, strike “\$4,057,098,577” and insert “\$4,065,082,889”.

Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,437,052,939”.

Page 264, after line 47, insert:

“BBB. Out of this appropriation, \$3,992,156 from the general fund and \$3,992,156 from nongeneral funds the first year and \$4,210,160 from the general fund and \$4,210,160 from nongeneral funds the

second year shall be used to increase the rates paid for the community-based Medicaid mental retardation waiver program by three percent on July 1, 2004.”

Health And Human Resources			Item 326 #7s
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$1,638,577	\$2,515,325	GF
	\$1,638,577	\$2,515,325	NGF

Language:

- Page 250, line 37, strike “\$4,057,098,577” and insert “\$4,060,375,731”.
- Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,433,663,269”.
- Page 264, line 35, strike “\$344,756” and insert “\$2,328,089”.
- Page 264, line 35, strike “\$459,675” and insert “\$3,434,675”.
- Page 264, line 36, strike “\$344,756” and insert “\$2,328,089”.
- Page 264, line 37, strike “\$459,675” and insert “\$3,434,675”.
- Page 264, line 39, strike “is” and insert a period.
- Page 264, delete lines 40 through 43.

Health And Human Resources			Item 326 #8s
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$22,000,000	\$22,000,000	GF
	\$22,000,000	\$22,000,000	NGF

Language:

- Page 250, line 37, strike “\$4,057,098,577” and insert “\$4,101,098,577”.
- Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,472,632,619”.
- Page 251, after line 45, insert:
 “3. Of this amount, \$22,000,000 from the general fund each year and \$22,000,000 from the federal trust fund each year shall be used to add 880 new waiver slots under the Mental Retardation Waiver Program beginning July 1, 2004. Any unexpended appropriations for this purpose shall not cancel but be available in the following fiscal year.”

Health And Human Resources			Item 326 #10s
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$2,500,000	\$2,500,000	GF
	\$2,500,000	\$2,500,000	NGF

Language:

- Page 250, line 37, strike “\$4,057,098,577” and insert “\$4,062,098,577”.
- Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,433,632,619”.
- Page 258, line 59, strike “\$18,000,000” and insert “\$15,500,000”
- Page 259, after line 12, insert:
 “7. The Department of Medical Assistance Services shall make available under the Medicaid Preferred Drug List Program, without prior authorization, antidepressants and antianxiety medications used for the treatment of mental illness.”

Health And Human Resources			Item 326 #20s
Department Of Medical Assistance Services			
			Language

Language:

- Page 256, strike line 19.

Page 256, line 20, strike "Medicaid and Medicare Services for a" and insert:
"The Department of Medical Assistance Services shall discontinue efforts to seek approval of a".

Page 256, line 28, strike "eliminate" and insert "restore the".

Page 256, line 32, strike "The Department shall implement these necessary".

Page 256, strike lines 33 through 34, and insert:

"The Department shall study the impact of expanding elderly case management services to a statewide service. The Department shall report the results of its study to the Chairmen of the House Appropriations and Senate Finance Committees and the Department of Planning and Budget no later than December 15, 2004. The Department shall seek the input of appropriate agencies in conducting the study, including the Department for the Aging and the Area Agencies on Aging."

Health And Human Resources Item 326 #22s

Department Of Medical Assistance Services

Language

Language:

Page 263, line 39, strike ", terminate".

Page 263, line 41, after "Waiver" insert:

", provided that individuals eligible for the waivers do not lose necessary services".

Health And Human Resources Item 326 #25s

Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$250,000	\$250,000	GF
	\$250,000	\$250,000	NGF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,057,598,577".

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,429,132,619".

Page 264, after line 47, insert:

"BBB. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance Services to provide an increase of \$250,000 from the general fund each year and \$250,000 from nongeneral funds each year to enhance reimbursements to inpatient hospitals with exceptionally high Medicaid utilization, specifically those inpatient hospitals with Medicaid utilization rates over 50 percent of their Neonatal Intensive Care Unit (NICU) patient populations. The enhanced reimbursements shall be proportionally distributed to the inpatient hospitals based on each hospital's share of the total NICU Medicaid patient days of the hospitals eligible for the enhanced reimbursements. In the event a hospital qualifying for this program would receive a reimbursement rate in excess of the federal upper payment limit for such facilities, they shall be determined ineligible for the additional payment. Such amendments to the State Plan shall become effective within 280 days or less from the enactment of this act."

Health And Human Resources Item 326 #28s

Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$0	\$11,492,974	GF
	\$0	\$11,492,974	NGF

Language:

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,451,618,567".

Page 264, line 6, strike "75" and insert "79".

Page 264, line 6, after "percent" insert ", effective July 1, 2005".

Page 264, line 7, strike "\$9,125,000" and insert "\$20,617,974".

Page 264, line 8, strike "\$9,125,000" and insert "\$20,617,974".

Page 264, line 9, strike “for the adjustment” and insert “is for this purpose.”

Page 264, delete lines 10 through 13.

Health And Human Resources			Item 326 #29s
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$0	\$5,395,530	GF
	\$0	\$5,395,530	NGF

Language:

Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,439,423,679”.

Page 264, line 18, strike “\$3” and insert “\$4.66”.

Page 264, line 21, strike “\$3” and insert “\$4.66”.

Page 264, line 27, strike “\$9,740,987” and insert “\$15,136,517”.

Page 264, line 28, strike “\$9,740,987” and insert “\$15,136,517”.

Page 264, line 29, after “funds” insert “is for this purpose.”

Page 264, delete lines 30 through 33.

Health And Human Resources			Item 326 #30s
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$0	\$1,449,104	GF
	\$0	\$1,449,104	NGF

Language:

Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,431,530,827”.

Page 264, line 47, insert:

“BBB. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance Services to increase the dispensing fee paid to pharmacists from \$3.75 to \$4.00 per prescription per month. Such amendments to the State Plan shall become effective within 280 days or less from the enactment of this act.”

Health And Human Resources			Item 326 #31s
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$280,604	\$297,437	GF
	\$280,604	\$297,437	NGF

Language:

Page 250, line 37, strike “\$4,057,098,577” and insert “\$4,057,659,785”.

Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,429,227,493”.

Page 264, line 47, insert:

“BBB. The Department of Medical Assistance Services shall have the authority to amend the State Plan for Medical Assistance Services to increase reimbursements to physicians delivering services to recipients in hospital emergency rooms effective July 1, 2004. Out of this appropriation, the expenditure of \$280,604 the first year and \$297,437 the second year from the general fund and \$280,604 the first year and \$297,437 the second year from nongeneral funds shall be used to increase reimbursements by 4 percent above the fiscal year 2004 level. Such amendments to the State Plan shall become effective within 280 days or less from the enactment of this act.”

Health And Human Resources			Item 326 #39s
Department Of Medical Assistance Services			

Language

Language:

Page 264, after line 47, insert:

“BBB. The Department of Medical Assistance Services may make available to its enrollees those prescription medications which improve drug regimen compliance, reduce medication errors, or decrease medication abuse through the use of medication delivery systems that include, but are not limited to, transdermal and injectable delivery systems.”

Health And Human Resources

Item 326 #40s

Department Of Medical Assistance Services

Language

Language:

Page 264, after line 47, insert:

“BBB. Contingent upon (i) receiving approval by the Robert Wood Johnson (RWJ) Foundation for a Cash and Counseling Demonstration and Evaluation grant, or (ii) an appropriation for a fiscal agent and staff to implement the program, the Department of Medical Assistance Services shall request a §1115 Research and Demonstration Waiver from the Centers for Medicare and Medicaid services. The waiver application shall include the location of the two demonstration sites as Lynchburg and Winchester. The Department shall promulgate emergency regulations to become effective within 280 days or less after receiving approval from the Centers for Medicare and Medicaid Services.”

Health And Human Resources

Item 326 #41s

Department Of Medical Assistance Services

FY 04-05

FY 05-06

\$0

\$6,000,000

GF

\$0

\$6,000,000

NGF

Language:

Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,440,632,619”.

Page 264, after line 47, insert:

“BBB. Out of this appropriation, \$6,000,000 from the general fund and \$6,000,000 from nongeneral funds shall be used to increase personal care provider rates offered under community-based Medicaid waiver programs by 10 percent on July 1, 2005.”

Health And Human Resources

Item 326 #46s

Department Of Medical Assistance Services

FY 04-05

FY 05-06

\$2,666,667

\$4,000,000

GF

\$2,666,667

\$4,000,000

NGF

Language:

Page 250, line 37, strike “\$4,057,098,577” and insert “\$4,062,431,911”.

Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,436,632,619”.

Page 251, after line 45, insert:

“3. The appropriation includes \$2,666,667 the first year and \$4,000,000 the second year from the general fund and \$2,666,667 the first year and \$4,000,000 the second year from nongeneral funds for 160 new Mental Retardation Home and Community-based Waiver slots for individuals who are residing in mental retardation training centers, have been determined to be ready for discharge, and have chosen to be served in the community.”

Health And Human Resources

Item 326 #47s

Department Of Medical Assistance Services

FY 04-05

FY 05-06

\$2,000,000

\$0

GF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,059,098,577".

Page 264, after line 47, insert:

"BBB. Out of this appropriation, \$2,000,000 from the general fund in the first year is provided for start-up costs related to the development of mental retardation waiver services. Any unexpended appropriations as of June 30, 2005 shall not expire but be available for these purposes until June 30, 2006."

Health And Human Resources			Item 326 #48s
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$21,800,000	(\$76,400,000)	GF
	(\$21,800,000)	\$76,400,000	NGF

Language:

Page 264, line 46, strike "\$310,700,000" and insert "\$288,900,000".

Page 264, line 46, strike "\$276,300,000" and insert "\$352,700,000".

Health And Human Resources			Item 326 #49s
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$0	\$5,837,400	GF
	\$0	\$5,837,400	NGF

Language:

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,440,307,419".

Page 264, after line 47, insert:

"BBB. Out of this appropriation, \$5,837,400 from the general fund and \$5,837,400 from nongeneral funds the second year shall be provided for 600 slots for a 1915(c) Medicaid Waiver for day support services. Contingent upon approval by the Centers for Medicare and Medicaid Services (CMS), the Department of Medical Assistance Services (DMAS) is directed to develop such Waiver in coordination with the Department of Mental Health, Mental Retardation, and Substance Services, and affected constituents."

Health And Human Resources		Item 330 #1s
Department Of Mental Health, Mental Retardation And Substance Abuse		
Services		Language

Language:

Page 268, after line 50, insert:

"L. Beginning on November 1, 2004, the Commissioner of the Department of Mental Health, Mental Retardation, and Substance Abuse Services shall annually submit a report to the Chairmen of the Senate Finance and House Appropriations Committees detailing implementation of the Department's plan to contract with participating private providers, contract amounts paid to each private provider, number of patients served, term of inpatient treatment, any savings realized by community-based treatment, and any fiscal impact to state hospitals."

Health And Human Resources		Item 330 #2s
Department Of Mental Health, Mental Retardation And Substance Abuse		
Services		Language

Language:

Page 268, after line 50, insert:

"L. The Department of Mental Health, Mental Retardation, and Substance Abuse Services, in cooperation with the Department of Criminal Justice Services, shall incorporate information about

programs that divert individuals with mental illness, substance abuse, and co-occurring disorders from jail or secure detention on the web-based internet site being designed by the Department of Mental Health, Mental Retardation, and Substance Abuse Services. This is a recommendation of the Joint Commission on Health Care.”

Health And Human Resources			Item 330 #4s
Department Of Mental Health, Mental Retardation And Substance Abuse Services	FY 04-05	FY 05-06	
	\$0	(\$209,000)	GF

Language:

Page 266, line 18, strike “\$18,107,290” and insert “\$17,898,290”.

Health And Human Resources		Item 330 #5s
Department Of Mental Health, Mental Retardation And Substance Abuse Services		Language

Language:

Page 268, after line 50, insert:

“L.1. Notwithstanding the Commissioner's discretion to grant licenses pursuant to this chapter or any Board regulation regarding licensing, no initial license shall be granted by the Commissioner to a provider of treatment for persons with opiate addiction through the use of the controlled substance, methadone, or other opioid replacements, if such provider is to be located within one-half mile of a public or private licensed day care center or a public or private K-12 school, except when such service is provided by a hospital licensed by the Board of Health or the Commissioner of the Department of Mental Health, Mental Retardation or Substance Abuse Services or owned or operated by an agency of the Commonwealth.

2. Further, upon receiving notice of a proposal for or an application to obtain initial licensure from a provider of treatment for persons with opiate addiction through the use of the controlled substance, methadone, or other opioid replacements, the Commissioner shall, within 15 days of such receipt, notify the local governing body of and the community services board serving the jurisdiction in which the facility is to be located of such proposal or application and its proposed location.

Within 30 days of the date of the notice, local governing bodies and community services boards shall submit to the Commissioner comments on such proposals or applications. The local governing body shall notify the Commissioner within 30 days of the date of the notice concerning the compliance of the applicant with this section and any applicable local ordinances.

3. No license shall be issued by the Commissioner to such provider until the conditions of this section have been met, i.e., local governing body and community services board comments have been received and the local governing body has determined compliance with the provisions of this section and any relevant local ordinances.

4. No existing provider that has made application for licensure and obtained a certificate of occupancy or has received a license in accordance with the law and regulations in effect on January 1, 2004, shall be required to comply with the provisions of this section.

5. The provisions of this act shall not apply to the jurisdictions located in Planning District 8.”

Health And Human Resources		Item 330 #6s
Department Of Mental Health, Mental Retardation And Substance Abuse Services		Language

Language:

Page 268, delete lines 31 through 50.

Health And Human Resources			Item 330 #7s
Department Of Mental Health, Mental	FY 04-05	FY 05-06	
Retardation And Substance Abuse	\$150,000	\$150,000	GF
Services	2.00	2.00	FTE

Language:

Page 266, line 18, strike "\$18,433,014" and insert "\$18,583,014".

Page 266, line 18, strike "\$18,107,290" and insert "\$18,257,290".

Health And Human Resources			Item 332 #2s
Department Of Mental Health, Mental	FY 04-05	FY 05-06	
Retardation And Substance Abuse	(\$2,666,667)	(\$4,000,000)	GF
Services			

Language:

Page 269, line 5, strike "\$24,269,206" and insert "\$21,602,539".

Page 269, line 5, strike "\$27,608,206" and insert "\$23,608,206".

Page 269, strike lines 26 through 33.

Health And Human Resources			Item 332 #3s
Department Of Mental Health, Mental Retardation And Substance Abuse			
Services			Language

Language:

Page 269, line 36, after "fund" insert "is"

Page 269, line 37, delete "is contingent upon the" and insert a period.

Page 269, strike lines 38 through 40.

Health And Human Resources			Item 332 #4s
Department Of Mental Health, Mental Retardation And Substance Abuse			
Services			Language

Language:

Page 269, line 43, after "fund" insert "is".

Page 269, line 44, after "hospitals", strike "is" and insert a period.

Page 269, strike lines 45 through 48.

Health And Human Resources			Item 332 #5s
Department Of Mental Health, Mental	FY 04-05	FY 05-06	
Retardation And Substance Abuse	\$200,000	\$400,000	GF
Services			

Language:

Page 269, line 5, strike "\$24,269,206" and insert "\$24,469,206".

Page 269, line 5, strike "\$27,608,206" and insert "\$28,008,206".

Page 269, after line 48, insert:

"F. Out of this appropriation, \$200,000 the first year and \$400,000 the second year from the general fund shall be used to develop a pilot program to divert forensic admissions of jail inmates from state

mental health facilities, when clinically appropriate, and provide services to mentally ill persons in regional jail settings.”

Health And Human Resources			Item 334 #2s
Grants To Localities	FY 04-05	FY 05-06	
	\$1,000,000	\$1,500,000	GF

Language:

Page 270, line 14, strike “\$227,576,495” and insert “\$228,576,495”.

Page 270, line 14, strike “\$228,232,745” and insert “\$229,732,745”.

Page 272, after line 43, insert:

“Q. Out of this appropriation, \$1,000,000 in the first year and \$1,500,000 the second year from the general fund is for Part C-Early Intervention Services for infants and toddlers.”

Health And Human Resources			Item 334 #13s
Grants To Localities			
			Language

Language:

Page 272, line 11, strike the first “4,125,000” and insert “6,125,000”.

Page 272, line 11, strike the second “4,125,000” and insert “6,125,000”.

Page 272, strike lines 27 through 35.

Health And Human Resources			Item 334 #14s
Grants To Localities			
			Language

Language:

Page 272, line 38, after “fund” insert “is”.

Page 272, line 40, after “(PACT)”, strike:

“is contingent upon the passage into law of the” and insert a period.

Page 272, delete lines 41 through 43.

Health And Human Resources			Item 346 #1s
Virginia Center For Behavioral Rehabilitation	FY 04-05	FY 05-06	
	\$0	(\$1,991,000)	GF
	0.00	-41.00	FTE

Language:

Page 276, line 4, strike “\$6,791,432” and insert “\$4,800,432”.

Health And Human Resources			Item 349 #5s
Department Of Rehabilitative Services	FY 04-05	FY 05-06	
	\$800,000	\$800,000	GF

Language:

Page 276, line 37, strike “\$83,939,471” and insert “\$84,739,471”.

Page 276, line 37, strike “\$83,939,471” and insert “\$84,739,471”.

Page 277, line 15, strike “\$3,611,786” and insert “\$4,554,538”.

Page 277, line 16, strike "\$3,754,538" and insert "\$4,554,538".

Health And Human Resources			Item 349 #8s
Department Of Rehabilitative Services	FY 04-05	FY 05-06	
	\$1,568,750	\$1,568,750	GF

Language:

Page 276, line 37, strike "\$83,939,471" and insert "\$85,508,221".

Page 276, line 37, strike "\$83,939,471" and insert "\$85,508,221".

Page 277, line 23, after "D." insert "1."

Page 277, line 24, strike "\$1,119,926" and insert "\$2,832,388".

Page 277, line 24, strike "\$1,263,638" and insert "\$2,832,388".

Page 277, after line 27, insert:

"2. Of this amount, \$1,568,750 from the general fund each year shall be used to provide a continuum of brain injury services to individuals in unserved or underserved regions of the Commonwealth. Up to \$250,000 each year shall be awarded to successful applicants. Organizations currently receiving more than \$250,000 each year are ineligible for additional assistance under this section. To be determined eligible for a grant under this section, organizations shall submit plans to match 50 percent of general fund support with non-state funding each year.

3. Beginning November 1, 2005, grant recipients shall submit annual reports to the Chairmen of the Senate Finance and House Appropriations Committees documenting the number of individuals served, services provided, and success in attracting non-state resources."

Health And Human Resources			Item 349 #9s
Department Of Rehabilitative Services			
			Language

Language:

Page 277, after line 43, insert:

"H.1. For grants awarded after July 1, 2004, the Commissioner shall require applicants to submit a plan to achieve self-sufficiency by the end of the grant award cycle in order to receive funding consideration.

2. Notwithstanding any other law to the contrary, the Commissioner may reallocate up to \$500,000 from unexpended balances in the Commonwealth Neurotrauma Initiative Trust Fund to fund new grant awards for research on traumatic brain and spinal cord injuries."

Health And Human Resources			Item 349 #10s
Department Of Rehabilitative Services	FY 04-05	FY 05-06	
	\$300,000	\$300,000	GF

Language:

Page 276, line 37, strike "\$83,939,471" and insert "\$84,239,471".

Page 276, line 37, strike "\$83,939,471" and insert "\$84,239,471".

Page 277, line 3, strike "\$3,385,210" and insert "\$3,976,210".

Page 277, line 4, strike "\$3,676,210" and insert "\$3,976,210".

Health And Human Resources			Item 350 #1s
Department Of Rehabilitative Services			
			Language

Language:

Page 277, after line 49, insert:

“The Department of Rehabilitative Services, in cooperation with the Department of Social Services and local social services agencies, shall develop an expedited process for transitioning disabled persons in hospitals to rehabilitation facilities. As part of this expedited process, the Department of Rehabilitative Services shall make Medicaid disability determinations within seven business days of the receipt of referrals from local departments of social services.”

Health And Human Resources

Item 354 #2s

Department Of Social Services

Language

Language:

Page 281, after line 16, insert:

“I. The Department of Social Services shall develop a multi-lingual outreach campaign to inform qualified aliens and their children, who are United States citizens, of their eligibility for federal food stamps and ensure that they have access to benefits under the food stamp program. To the extent permitted by federal law, the Department shall administer the food stamp program in a way that minimizes the procedural burden on qualified aliens and allays their concerns about the impact of food stamp receipt on their immigration sponsors and status.”

Health And Human Resources

Item 354 #4s

Department Of Social Services

FY 04-05

FY 05-06

\$100,000

\$100,000

GF

Language:

Page 279, line 10, strike “\$46,868,606” and insert “\$46,968,606”.

Page 279, line 10, strike “\$46,873,490” and insert “\$46,973,490”.

Page 281, line 14, strike “\$100,000” and insert, “\$200,000”.

Page 281, line 15, strike “\$100,000” and insert, “\$200,000”.

Health And Human Resources

Item 354 #5s

Department Of Social Services

Language

Language:

Page 281, after line 16, insert:

“I. The Department of Social Services shall implement the Guidance issued by the U.S. Department of Health and Human Services concerning the obligation of recipients of Federal financial assistance to comply with Title VI of the Civil Rights Act of 1964 by ensuring that meaningful access to federally-funded programs, activities and services administered by the Department is provided to limited English proficient (LEP) persons, 63 Fed. Reg. 47,311-47,323 (August 8, 2003). At a minimum, the Department shall (1) identify the need for language assistance by analyzing the following factors: (a) the number or proportion of LEP persons in the eligible service population, (b) the frequency of contact with such persons, (c) the nature and importance of the program, activity or service, and (d) the costs of providing language assistance and resources available; (2) translate vital documents into the language of each frequently encountered LEP group eligible to be served; (3) provide accurate and timely oral interpreter services; and (4) develop an effective implementation plan to address the identified needs of the LEP populations served.”

Health And Human Resources

Item 355 #1s

Department Of Social Services

FY 04-05

FY 05-06

\$1,000,000

\$1,000,000

GF

Language:

Page 281, line 18, strike "\$49,487,126" and insert "\$50,487,126".

Page 281, line 18, strike "\$47,445,246" and insert "\$48,445,246".

Page 282, after line 2, insert:

"3. Out of this appropriation, \$1,000,000 from the general fund each year shall be distributed according to the formula in this section."

Health And Human Resources
Department Of Social Services

Item 356 #3s

Language

Language:

Page 283, line 8, strike "\$3,900,000" and insert "\$9,200,000".

Page 283, line 9, strike "\$3,900,000" and insert "\$4,900,000".

Health And Human Resources
Department Of Social Services

Item 356 #7s

Language

Language:

Page 284, after line 4, insert:

"1.1. Local departments of social services shall provide to eligible Temporary Assistance to Needy Families (TANF) recipients, under the administrative supervision of the Commissioner of Social Services, pre-employment and employment-related training services from the federal TANF grant funds appropriated for that purpose.

2. A limited number of local departments of social services are encouraged to participate in a pilot program to purchase employment-related training and placement services for TANF recipients from employment services organizations and the local workforce investment boards. The Commissioner of Social Services shall issue policy guidance for the development and operation of the pilot programs to purchase employment related training and placement services for TANF recipients from employment services organizations and the local workforce investment boards.

3. The pilot training and placement services for TANF recipients from employment services organizations and the local workforce investment boards shall be evaluated during a two-year period to assess the pre-employment and employment-related training services provided to the TANF recipients."

Health And Human Resources
Department Of Social Services

Item 356 #10s

	FY 04-05	FY 05-06	
	\$10,349,238	\$10,349,239	GF
	(\$10,349,238)	(\$10,349,238)	NGF

Language:

Page 282, line 11, strike "\$155,397,676" and insert "\$155,397,677".

Health And Human Resources
Department Of Social Services

Item 356 #11s

Language

Language:

Page 283, delete lines 43 through 59.

Page 284, delete lines 1 through 4.

Health And Human Resources	Item 357 #3s
Department Of Social Services	
	Language

Language:

Page 285, after line 35, insert:

“J. From the federal TANF grant, \$50,000 each year shall be transferred to the Bristol-Washington County Children's Advocacy Center for services to TANF-eligible populations.”

Health And Human Resources	Item 357 #4s
Department Of Social Services	
	Language

Language:

Page 285, after line 35, insert:

“J. From the federal TANF grant, \$50,000 each year shall be transferred to the Lenowisco Planning District Children's Advocacy Center for services to TANF-eligible populations.”

Health And Human Resources			Item 357 #6s
Department Of Social Services	FY 04-05	FY 05-06	
	(\$10,349,238)	(\$10,349,239)	GF

Language:

Page 284, line 5, strike “\$152,196,355” and insert “\$141,847,117”.

Page 284, line 5, strike “\$163,637,335” and insert “\$153,288,096”.

Health And Human Resources			Item 357 #8s
Department Of Social Services	FY 04-05	FY 05-06	
	\$200,000	\$200,000	GF

Language:

Page 284, line 5, strike “\$152,196,355” and insert “\$152,396,355”.

Page 284, line 5, strike “\$163,637,335” and insert “\$163,837,335”.

Health And Human Resources			Item 357 #9s
Department Of Social Services	FY 04-05	FY 05-06	
	\$100,000	\$100,000	GF

Language:

Page 284, line 5, strike “\$152,196,355” and insert “\$152,296,355”.

Page 284, line 5, strike “\$163,637,335” and insert “\$163,737,335”.

Page 285, line 18, strike “\$584,980” and insert “\$684,980”.

Page 285, line 21, strike “\$584,980” and insert “\$684,980”.

Health And Human Resources			Item 359 #1s
Department Of Social Services	FY 04-05	FY 05-06	
	\$0	\$6,363,878	GF

Language:

Page 286, line 22, strike “\$20,098,755” and insert “\$26,462,633”.

Page 286, line 33, strike "\$866" and insert "\$938".

Health And Human Resources Item 360 #2s
Department Of Social Services

Language

Language:

Page 288, after line 3, insert:

"D. Out of this appropriation, the Department of Social Services shall allocate \$2,550,000 each year from the federal TANF block grant for employment and training and other services for hard-to-serve recipients to promote self-sufficiency."

Health And Human Resources Item 360 #4s
Department Of Social Services

Language

Language:

Page 288, after line 3, insert:

"D. From the federal TANF grant, \$637,500 each year shall be made available to approved Centers for Employment Training."

Health And Human Resources Item 360 #4s
Department Of Social Services

	FY 04-05	FY 05-06	
	\$10,349,238	\$10,349,238	NGF

Language:

Page 287, line 5, strike "\$69,122,484" and insert "\$79,471,722".

Page 287, line 5, strike "\$68,122,484" and insert "\$78,471,722".

Health And Human Resources Item 362 #2s
Department Of Social Services

	FY 04-05	FY 05-06	
	\$4,300,000	\$2,150,000	GF
	\$4,300,000	\$2,150,000	NGF

Language:

Page 288, line 53, strike "\$306,249,218" and insert "\$314,849,218".

Page 288, line 53, strike "\$306,249,218" and insert "\$310,549,218".

Health And Human Resources Item 362 #3s
Department Of Social Services

Language

Language:

Page 291, line 5, after "fund", insert:

"and \$1,062,500 from the federal TANF grant".

Page 291, line 6, after "fund", insert:

"and \$1,062,500 from the federal TANF grant".

Health And Human Resources Item 362 #8s
Department Of Social Services

Language

Language:

Page 291, after line 20, insert:

“O. Out of this appropriation, \$9,300,000 each year from the federal TANF block grant shall be allocated for foster care and adoption workers in local Department of Social Services offices.”

Health And Human Resources Item 362 #9s
Department Of Social Services

Language

Language:

Page 291, after line 20, insert:

“O. The Commissioner, in consultation with local departments of social services, shall develop a plan to implement and finance the federally required local Child and Family Services Review Performance Improvement Plan.”

Health And Human Resources Item 362 #12s
Department Of Social Services FY 04-05 FY 05-06

\$650,000 \$650,000 GF

Language:

Page 288, line 53, strike “\$306,249,218” and insert “\$306,899,218”.

Page 288, line 53, strike “\$306,249,218” and insert “\$306,899,218”.

Page 290, line 57, strike “\$541,578” and insert “\$1,191,578”.

Page 290, line 57, strike “\$541,578” and insert “\$1,191,578”.

Health And Human Resources Item 365 #4s
Department Of Social Services

Language

Language:

Page 292, line 49, strike “\$4,838,528” and insert \$4,857,697”

Page 292, line 50, strike “\$12,887” and insert “\$51,225”

Page 292, delete lines 51 through 59 and insert:

“2. Unless otherwise set out in this Act, federal TANF block grant funding will be provided to state agencies and other provider organizations in the first and second year at the same level as provided in fiscal year 2004.”

Page 293, delete lines 1 through 7.

Natural Resources Item 379 #2s
Chesapeake Bay Local Assistance FY 04-05 FY 05-06

Department (\$1,449,221) (\$1,451,098) GF
-20.00 -20.00 FTE

Language:

Page 297, line 31, strike “\$1,449,221” and insert “\$0”.

Page 297, line 31, strike “\$1,451,098” and insert “\$0”.

Page 297, strike lines 31 thru 47.

Page 298, strike lines 1 thru 3.

Page 297, after line 30, insert:

“Notwithstanding Title 10.1 Chapter 21, Code of Virginia, the Chesapeake Bay Local Assistance Department will be merged with the Department of Conservation and Recreation effective July 1, 2004. The powers and duties heretofore exercised by such agency shall hereafter be vested in the

Department of Conservation and Recreation. The Chesapeake Bay Local Assistance Board shall remain a collegial body pursuant to Title 10.1 Chapter 21.”.

Natural Resources

Item 381 #1s

Department Of Conservation And Recreation

Language

Language:

Page 299, after line 57, insert:

“I.1. The Department shall conduct, or contract for, a marketing study of State Park user fees, including, but not limited to the fees charged for cabin rental, campground use, parking and boat launch use. The study shall identify the factors determining demand for state park services including demographics, locations, times of the year and other variables.

2. Based on the findings of the study, the Department shall: (1) establish marketing goals for its facilities and existing services, (2) identify new recreational products with the potential to increase nongeneral fund park revenue and increase the exposure of Virginians to the park system, and (3) to the extent that it is practical, revise its fee schedule to maximize the revenue available to the Conservation Resources Fund while maintaining adequate public access to the parks.

3. The study shall include a review of the potential for extraordinary pricing opportunities associated with particular facilities, locations, times of the year, or unique nature and recreational experiences, including package opportunities not currently included in the Department’s fee schedule. To the extent possible, the Department shall make use of marketing departments at Virginia universities or other pro bono services in producing the study. Copies of a final report from the review, the marketing goals, new product ideas, and potential fee increase options shall be delivered to the Chairmen of the House Appropriations and Senate Finance Committees by November 30, 2004.”

Natural Resources

Item 382 #1s

Department Of Conservation And Recreation

FY 04-05 \$15,000

FY 05-06 \$0

GF

Language:

Page 298, line 25, strike “\$22,738,678” and insert “\$22,753,678”.

Page 299, after line 57, insert:

“I. Included in the amounts for Flood Plain Management is \$15,000 in the first year for the operations and expenses of the Rappahannock River Basin Commission.”

Natural Resources

Item 382 #7s

Department Of Conservation And Recreation

FY 04-05 \$200,000

FY 05-06 \$200,000

GF

Language:

Page 298, line 25, strike “\$22,738,678” and insert “\$22,938,678”.

Page 298, line 25, strike “\$20,977,511” and insert “\$21,177,511”.

Page 299, after line 57, insert:

“I. In conjunction with other reporting requirements included in this Item, the Soil and Water Conservation Board shall prepare annual statistics, by District, that include: the number of farmers, the number of acres in farms and in agricultural production (by product type), the number of farmers participating in District programs by program, the number of acres by product under each type of agricultural best management practice, the budgeted and expended funds for each agricultural best management practice, and other information needed by the Department of Conservation and Recreation to evaluate the quantitative impact of Soil and Water Conservation District practices and funding on Virginia’s water quality and land conservation goals. This information shall be provided

to the Director of the Department of Conservation and Recreation in a timely manner for the Department to complete its annual reporting requirements under this Item.”

Natural Resources			Item 382 #11s
Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$150,000	\$150,000	GF

Language:

- Page 298, line 25, strike “\$22,738,678” and insert “\$22,888,678”.
- Page 298, line 25, strike “\$20,977,511” and insert “\$21,127,511”.
- Page 298, line 45, strike “\$50,000” and insert “\$200,000”.
- Page 298, line 46, strike “\$50,000” and insert “\$200,000”.

Natural Resources			Item 382 #12s
Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$6,906,250	\$6,906,250	NGF

Language:

- Page 298, line 25, strike “\$22,738,678” and insert “\$29,644,928”.
- Page 298, line 25, strike “\$20,977,511” and insert “\$27,883,761”.
- Page 299, after line 57, insert:

“I.1. Out of the amounts for Statewide Non-Point Source Pollution Control, \$6,906,250 from nongeneral funds each year shall be deposited to the Virginia Water Quality Improvement Fund established under the Water Quality Improvement Act of 1997, Title 10.1, Chapter 21.1, Code of Virginia. The sources of funds for these nongeneral fund deposits is the Virginia Natural and Historic Resources Fund pursuant to the “Virginia Investment Act” (Senate Bill 635, 2004 Session).

2. The Department shall review Soil and Water Conservation District (SWCD) operations and identify potential improvements in water quality and soil erosion programs. The review shall consider the relative needs of the various Districts, practices that offer the most cost-effective use of nonpoint source funding, and practices that are most appropriate given the characteristics of the various districts. The review shall incorporate the most recent findings on best management practice effectiveness. Based on the findings of the review, the Department shall propose changes in SWCD practices, staffing and funding, including the potential for performance based funding, to improve the Commonwealth’s non-point source programs. The Department shall coordinate this review with the requirements of HJR 72 (2004 Session) and any planned reviews of its nutrient management regulations. Copies of an interim report shall be provided to the Chairmen of the House Committees on Appropriations, and Agriculture, Chesapeake and Natural Resources, and the Senate Committees on Finance, and Agriculture, Conservation and Natural Resources by December 31, 2004. The final report including recommendations for SWCD practices and funding shall be provided by December 31, 2005.”

Natural Resources			Item 382 #13s
Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$1,400,121	\$1,212,684	GF
	17.00	17.00	FTE

Language:

- Page 298, line 25, strike “\$22,738,678” and insert “\$24,138,799”.
- Page 298, line 25, strike “\$20,977,511” and insert “\$22,190,195”.
- Page 299, after line 57, insert:

“I.1. The Department of Conservation and Recreation (DCR) shall assume the responsibilities and budget resources of the Chesapeake Bay Local Assistance Department (CBLAD) appropriated

herein effective July 1, 2004. The resources of the former Department shall continue within DCR to provide technical and financial assistance to localities pursuant to the Chesapeake Bay Preservation Act (§ 10.1-2100, et. seq.) The Chesapeake Bay Local Assistance Board shall continue as a collegial body.

2. The Secretary of Natural Resources shall prepare an agency reorganization plan to be submitted to the Chairmen of the Senate Finance and House Appropriations Committees by August 31, 2004. In developing the plan the Secretary shall consult with Tidewater localities and Tidewater Soil and Water Conservation Districts.

3. The plan shall include necessary steps to ensure that the purposes of the Chesapeake Bay Preservation Act are implemented by DCR, with former CBLAD resources and personnel constituting either a new division within DCR or a component of an existing division. The plan shall also identify any positions that will be eliminated or other actions needed to achieve the policy goals and cost savings.

4. It is the intent of the General Assembly that legislation in the 2005 Session effectuating the merger shall ensure that the core operations of the Chesapeake Bay Local Assistance Department and Chesapeake Bay Local Assistance Board shall continue.

J.1. The amounts provided to localities and planning district commissions for financial assistance in implementing the Chesapeake Bay Preservation Act shall be distributed on a competitive basis. Consideration shall be given to the availability of local resources, with more funding provided to localities with the greatest needs and where the greatest water quality benefits can be achieved.

2. Of the amounts in the Land Management program, the Department may expend a portion of its general fund appropriation for a water quality monitoring project in Caroline County.”

Natural Resources			Item 382 #14s
Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$315,000	\$315,000	NGF
	4.00	4.00	FTE

Language:

Page 298, line 25, strike “\$22,738,678” and insert “\$23,053,678”.

Page 298, line 25, strike “\$20,977,511” and insert “\$21,292,511”.

Page 299, after line 57, insert:

“I. Pursuant to §10.1-2135.C.3, Code of Virginia, the amount for Land Management includes \$315,000 each year from the Virginia Natural and Historic Resources Fund to implement the land conservation and nonpoint water quality programs funded by the “Virginia Investment Act” (SB 635, 2004 Session). These funds shall be distributed by the Director as follows: \$100,000 annually to the Virginia Outdoors Foundation for inspection and management of conservation easements, \$60,000 annually to implement SB 523 (2004 Session), and \$155,000 annually to support other programs within the Department of Conservation and Recreation that receive funds from the Virginia Land Conservation Fund and the Water Quality Improvement Fund.”

Natural Resources			Item 382 #15s
Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$500,000	\$500,000	NGF

Language:

Page 298, line 25, strike “\$22,738,678” and insert “\$23,238,678”.

Page 298, line 25, strike “\$20,977,511” and insert “\$21,477,511”.

Page 299, after line 57, insert:

“I. Notwithstanding the distribution specified in §10.1-2135.C.1, Code of Virginia, from the allocation intended for the Department of Conservation and Recreation for the Water Quality Improvement Fund, the Comptroller shall transfer from the sales and use tax revenue deposited into

the Virginia Natural and Historic Resources Fund: \$500,000 the first year and \$500,000 the second year for grants to local Soil and Water Conservation Districts to assist in the development of agricultural conservation plans. These amounts shall be counted against the Department's annual transfer from the Virginia Natural and Historic Resources Fund for nonpoint source programs."

Natural Resources Item 382 #16s
Department Of Conservation And Recreation Language

Language:

Page 299, after line 57, insert:

"I. The Department shall provide mileage compensation to citizen members of the Roanoke River Basin Commission for travel to and from Commission meetings."

Natural Resources Item 382 #17s
Department Of Conservation And Recreation FY 04-05
Recreation FY 05-06
\$1,102,500 \$0 GF

Language:

Page 298, line 25, strike "\$22,738,678" and insert "\$23,841,178".

Page 299, line 21, strike "\$1,917,500", and insert "\$3,020,000".

Natural Resources Item 383 #2s
Department Of Conservation And Recreation Language

Language:

Page 300, line 18, strike "the".

Page 300, line 19, strike "Commonwealth's matching share of support".

Page 300, line 21, strike "not to exceed", and insert "up to".

Page 300, line 21, after "year and", and insert "up to".

Natural Resources Item 383 #10s
Department Of Conservation And Recreation Language

Language:

Page 301, after line 50, insert:

"L. From nongeneral funds provided by the Virginia Natural and Historic Resources Fund for the Virginia Land Conservation Fund, the Virginia Land Conservation Foundation may provide a grant to the Nature Conservancy of up to \$1,000,000 to acquire a permanent easement on approximately 2,000 acres in Powhatan County owned by the Sisters of the Blessed Sacrament. This appropriation is contingent on written certification to the Chairmen of the House Appropriations and Senate Finance Committees, by the Secretary of Natural Resources that this property presently represents the best use of these land conservation funds, and that matching funds will be made available to secure the easement. Certification by the Secretary must be made sixty days prior to the purchase of the easement."

Natural Resources Item 383 #11s
Department Of Conservation And Recreation Language

Language:

Page 301, following line 50, insert:

“L. No funds shall be expended or authorized by the Department of Conservation and Recreation for the development of a state park on the property transferred from the Beaumont Juvenile Correctional Center until completion of the park master plan, which shall include adequate opportunity for public participation in the planning process. Nothing in this item shall preclude the Department from making necessary arrangements to secure the property in accordance with the terms of transfer from the Department of Juvenile Justice or from undertaking alterations necessary for public safety. The Department shall notify the Chairmen of the House Appropriations and Senate Finance Committees sixty days prior to any alterations to the property that are pursuant to development of a state park.”

Natural Resources			Item 383 #14s
Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$14,812,500	\$14,812,500	NGF

Language:

Page 300, line 1, strike “\$25,666,442” and insert “\$40,478,942”.

Page 300, line 1, strike “\$25,666,442” and insert “\$40,478,942”.

Page 301, line 15, strike “H.”, and insert “H.1.”.

Page 301, line 22, after “funding;”, insert “descriptions of projects that received funding;”

Page 301, after line 24, insert:

“2. Included in the amount for Preservation for Open Space Lands is \$14,821,500 from nongeneral funds each year to be deposited into the Virginia Land Conservation Fund, §10.1-1012, Code of Virginia. The source of these nongeneral funds is the Virginia Natural and Historic Resources Fund pursuant to the “Virginia Investment Act” (SB 635, 2004 Session).

3. The Chairman of the Virginia Land Conservation Foundation or his designee, shall review the criteria used to evaluate grant applications. Based on this review, the Foundation shall develop new review criteria that better quantify the relative merits of each prospective grant parcel. The measurable criteria shall include, but are not limited to the following: the status of the parcel under a locality's master plan as a Chesapeake Bay Preservation Area, (2) the degree to which securing the parcel will protect local drinking water supplies, (3) the degree to which the parcel satisfies recreational needs of population centers, or other recreational needs as identified in the Virginia Outdoors Plan, (4) the extent to which the affected localities have identified the parcel as having important local water quality or recreational benefits, (5) other criteria that are relevant to the particular classes of open space preservation provided under Virginia law, and (6) the cost effectiveness of the parcel in satisfying these criteria compared to alternatives. By November 19, 2004 copies of the proposed revisions to the grant review criteria shall be provided to the Chairmen of the House Committees on Appropriations, and Agriculture, Chesapeake and Natural Resources, and the Senate Committees on Finance and Agriculture, Conservation and Natural Resources.

4. Beginning November 1, 2005, and annually thereafter, the Chairman of the Virginia Land Conservation Foundation shall submit a report to the Chairmen of the House Committees on Appropriations, and Agriculture, Chesapeake and Natural Resources, and the Senate Committees on Finance and Agriculture, Conservation and Natural Resources, and the Director of the Department of Planning and Budget on the activities of the Virginia Land Conservation Foundation including, but not limited to: implementation of the Foundation's strategic plan; projects under consideration for funding, with their scores on the new grant review criteria developed under section “I.2” above; projects funded, with their scores on the new grant review criteria developed in section “I.2” above,

expenditures from, interest earned by, and financial obligations of the Virginia Land Conservation Fund.”.

Natural Resources			Item 383 #15s
Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$569,476	\$521,476	GF
	14.00	14.00	FTE

Language:

Page 300, line 1, strike “\$25,666,442” and insert “\$26,235,918”.

Page 300, line 1, strike “\$25,666,442” and insert “\$26,187,918”.

Natural Resources			Item 384 #1s
Department Of Environmental Quality	FY 04-05	FY 05-06	
	\$50,000	\$50,000	GF

Language:

Page 302, line 6, strike “\$19,202,376” and insert “\$19,252,376”.

Page 302, line 6, strike “\$19,200,627” and insert “\$19,250,627”.

Page 302, line 20, strike “Notwithstanding”, and insert “A. Notwithstanding”

Page 302, after line 25, insert:

“B. Out of the appropriation for Administrative and Support Services, \$50,000 is provided each year from the general fund for a review of the efficiency and effectiveness of the Department's pollution permit programs, pursuant to Senate Bill 365 (2004 Session).”

Natural Resources			Item 385 #1s
Department Of Environmental Quality	FY 04-05	FY 05-06	
	\$400,000	\$400,000	GF
	\$6,030,427	\$6,030,427	NGF

Language:

Page 302, line 26, strike “\$35,095,230” and insert “\$41,525,657”.

Page 302, line 26, strike “\$35,012,786” and insert “\$41,443,213”.

Page 303, strike lines 32 to 47.

Natural Resources			Item 386 #1s
Department Of Environmental Quality	FY 04-05	FY 05-06	
	(\$150,000)	(\$150,000)	GF

Language:

Page 303, line 48, strike “\$8,339,506” and insert “\$8,189,506”.

Page 303, line 48, strike “\$8,371,076” and insert “\$8,221,076”.

Natural Resources			Item 388 #2s
Department Of Environmental Quality	FY 04-05	FY 05-06	
	\$1,700,000	\$0	NGF

Language:

Page 304, line 18, strike “\$60,303,091” and insert “\$62,003,091”.

Page 305, after line 14, insert:

“F. Notwithstanding the distribution specified in §10.1-2135, the Comptroller shall transfer \$1,700,000 from the Natural and Historic Resources Fund in the first year to the Combined Sewer Overflow Matching Fund, §62.1-241.12, Code of Virginia. From the Combined Sewer Overflow

Matching Fund, the City of Richmond shall receive \$1,300,000 in the first year, and the City of Lynchburg shall receive \$400,000 in the first year to match federal funds received by each city. This appropriation shall count against the Department's transfer in the first year from the Virginia Natural and Historic Resources Fund for point-source programs.”

Natural Resources			Item 388 #4s
Department Of Environmental Quality	FY 04-05	FY 05-06	
	\$197,000	\$265,126	GF

Language:

Page 304, line 18, strike “\$60,303,091” and insert “\$60,500,091”.

Page 304, line 18, strike “\$54,419,021” and insert “\$54,684,147”.

Page 304, line 50, strike “\$100,000 the first year”, and insert “\$297,000 the first year from the general fund and \$256,126 the second year”.

Page 304, line 54, strike “and Virginia Beach” and insert “Virginia Beach, and the Elizabeth River Restoration Trust”.

Natural Resources			Item 388 #5s
Department Of Environmental Quality	FY 04-05	FY 05-06	
	\$600,000	\$0	NGF

Language:

Page 304, line 18, strike “\$60,303,091” and insert “\$60,903,091”.

Page 305, after line 14, insert:

“F. Included in the amount for Construction Assistance is \$600,000 from nongeneral funds in the first year for public water needs assessment planning in the Lenowisco, Cumberland Plateau, and Mount Rogers Planning District Commissions in the amount of \$200,000 per planning district.”

Natural Resources			Item 388 #6s
Department Of Environmental Quality	FY 04-05	FY 05-06	
	\$5,706,250	\$7,406,250	NGF

Language:

Page 304, line 18, strike “\$60,303,091” and insert “\$66,009,341”.

Page 304, line 18, strike “\$54,419,021” and insert “\$61,825,271”.

Page 305, after line 14, insert:

“F.1. Out of the amounts for Environmental Technical and Financial Assistance, \$5,706,250 from nongeneral funds in the first year and \$7,406,250 from nongeneral funds in the second year shall be deposited to the Virginia Water Quality Improvement Fund established under the Water Quality Improvement Act of 1997, Title 10.1, Chapter 21.1, Code of Virginia. The source of funds for these nongeneral fund deposits is the Virginia Natural and Historic Resources Fund pursuant to the “Virginia Investment Act” (SB 635, 2004 Session).

2. Beginning in its January 2005 Annual Report on the Virginia Water Quality Improvement Fund, the Department shall provide the following additional information for approved projects: (1) annual projections of the nutrient reductions from the grant project out to either the year the facility will reach design capacity or ten years, whichever is longer, (2) the impact the project will have on nutrient reduction goals for any associated tributary strategy, and (3) the discounted net present

value of the grant award in terms of dollars per ton of nutrients removed based on the projections included in "F.2.(1)".

Natural Resources			Item 388 #7s
Department Of Environmental Quality	FY 04-05	FY 05-06	
	\$60,000	\$60,000	NGF
	1.00	1.00	FTE

Language:

Page 304, line 18, strike "\$60,303,091" and insert "\$60,363,091".

Page 304, line 18, strike "\$54,419,021" and insert "\$54,479,021".

Page 305, after line 14, insert:

"F. Pursuant to §10.1-2135.C.3, Code of Virginia, the amount for Environmental Technical and Financial Assistance includes \$60,000 each year from the Virginia Natural and Historic Resources Fund for operating expenses of the point source water quality programs funded by the Water Quality Improvement Fund, including grants to localities for waste water treatment facility upgrades."

Natural Resources			Item 388 #8s
Department Of Environmental Quality	FY 04-05	FY 05-06	
	(\$1,102,500)	\$0	GF

Language:

Page 304, line 18, strike "\$60,303,091" and insert "\$59,200,591".

Page 305, line 3, strike "\$5,752,500", and insert "\$3,020,000".

Natural Resources			Item 388 #9s
Department Of Environmental Quality	FY 04-05	FY 05-06	
	(\$1,630,000)	\$0	GF

Language:

Page 304, line 18, strike "\$60,303,091" and insert "\$58,673,091".

Page 305, strike lines 8 to 14.

Natural Resources			Item 393 #1s
Department Of Game And Inland Fisheries	FY 04-05	FY 05-06	
	\$10,000	\$20,000	NGF

Language:

Page 307, line 9, strike "\$34,989,619" and insert "\$34,999,619".

Page 307, line 9, strike "\$34,989,619" and insert "\$35,009,619".

Page 307, after line 35, insert:

"C. The Department shall maintain operation of, and visitor access to, state-owned fish hatcheries. To offset the costs of supervising visitors at hatcheries, the Department may charge a fee of up to \$1.00 per visitor."

Natural Resources			Item 393 #4s
Department Of Game And Inland Fisheries	FY 04-05	FY 05-06	
	(\$733,361)	(\$733,361)	GF

Language:

Page 307, line 9, strike "\$34,989,619" and insert "\$34,256,258".

Page 307, line 9, strike "\$34,989,619" and insert "\$34,256,258".

Page 307, strike lines 29 to 35.

Natural Resources			Item 399 #1s
Marine Resources Commission	FY 04-05	FY 05-06	
	\$637,000	\$511,500	GF
	10.00	10.00	FTE

Language:

Page 310, line 19, strike "\$11,451,099" and insert "\$12,088,099".

Page 310, line 19, strike "\$11,451,099" and insert "\$11,962,599".

Natural Resources			Item 400 #1s
Marine Resources Commission			
			Language

Language:

Page 311, line 28, strike "Out" insert "A. Out".

Page 311, after line 32, insert "B. The Marine Resources Commission shall not resume the collection of fees and royalties for the use of state-owned submerged bottomlands assessed by the Commission under the provisions of §28.2-1206.B, Code of Virginia until such time as the collection of those fees is expressly authorized by the General Assembly. This prohibition shall not prevent the assessment and collection of fees for the removal of state-owned bottom lands under §28.2-1206.C of the Code of Virginia."

Natural Resources			Item 402 #1s
Virginia Museum Of Natural History	FY 04-05	FY 05-06	
	\$0	(\$56,829)	GF

Language:

Page 312, line 2, strike "\$2,149,293" and insert "\$2,092,464".

Page 312, after line 11, strike "Out" and insert "A. Out".

Page 312, after line 17, insert:

"B. The Virginia Museum of Natural History shall review the feasibility of funding operating positions, including development activities, through increased grants and other voluntary contributions from the public and private sectors, or through cooperative arrangements with other organizations. The review shall address the operating needs of the new museum building in Martinsville. Copies of the review shall be provided to the Chairmen of the House Appropriations and Senate Finance Committees no later than November 30, 2004."

Public Safety			Item 404 #2s
Commonwealth's Attorneys' Services Council			
			Language

Language:

Page 313, strike lines 28-34.

Public Safety			Item 410 #3s
Department Of Corrections, Central Activities			
			Language

Language:

Page 316, following line 57, insert:

“H. The Department of Corrections shall develop preliminary plans for construction of a medium security prison, in addition to those authorized in this act, and shall present such plans to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees no later than December 1, 2004. The plans may consider either or both construction and operation of such prison under this act, the Public Private Education and Infrastructure Act, the Corrections Private Management Act, or such other means as may be appropriate. The Department shall give first priority consideration to locating such prison within the Mount Rogers Planning District. The next priority for the location of a subsequent facility shall be given to a location within Charlotte County.”

Public Safety			Item 415 #1s
Division Of Community Corrections	FY 04-05	FY 05-06	
	\$926,551	\$1,463,224	GF
	25.00	25.00	FTE

Language:

Page 317, line 40, strike “\$58,809,844” and insert “\$59,736,395”.

Page 317, line 40, strike “\$58,809,844” and insert “\$60,273,068”.

Public Safety		Item 416 #1s
Division Of Community Corrections		
		Language

Language:

Page 319, following line 19, insert:

“4. The Pamunkey Regional Jail Authority, in order to proceed in planning for an expansion project. Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, the Authority may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session.”

Public Safety		Item 416 #2s
Division Of Community Corrections		
		Language

Language:

Page 319, following line 19, insert:

“4. The Hampton Roads Regional Jail Authority, and its member jurisdictions, in order to proceed with the planning study for expansion of the secure detention space at the Hampton Roads Regional Jail complex and/or within the local jurisdictions, to serve the projected requirements for the region. Specific capital project recommendations resulting from this study shall be subject to the approval of the General Assembly prior to final approval by the Board of Corrections.”

Public Safety		Item 416 #3s
Division Of Community Corrections		
		Language

Language:

Page 319, following line 19, insert:

“4. The Portsmouth City Jail, in order to proceed in planning for replacement facilities, to consist of secure detention space to be constructed at the Hampton Roads Regional Jail complex.

Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, the Hampton Roads Regional Jail Authority may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session.”

Public Safety Item 416 #4s
Division Of Community Corrections Language

Language:

Page 319, following line 19, insert:

“4. The County of Gloucester, in order to proceed in planning for an expansion project for the Gloucester County Jail. Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, the County may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session.”

Public Safety Item 416 #5s
Division Of Community Corrections Language

Language:

Page 319, following line 19, insert:

“4. The County of Roanoke and City of Salem, in order to proceed in planning for an expansion project for the Roanoke County-Salem Jail. Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, Roanoke County and the City of Salem may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session.”

Public Safety Item 416 #7s
Division Of Community Corrections Language

Language:

Page 319, following line 19, insert:

“4. The County of Pittsylvania, in order to proceed in planning for a renovation project for the Pittsylvania County Jail. Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, Pittsylvania County may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session.”

Public Safety Item 416 #8s
Division Of Community Corrections Language

Language:

Page 319, following line 19, insert:

“4. The Riverside Regional Jail Authority, in order to proceed in planning for an expansion project. Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, the Authority may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session.”

Public Safety

Item 416 #9s

Division Of Community Corrections

Language

Language:

Page 319, strike line 9 and insert:

“for an expansion project involving the development of a new community corrections facility with approximately 204 beds and a 120-bed expansion to the existing regional jail.”

Public Safety

Item 416 #11s

Division Of Community Corrections

Language

Language:

Page 319, line 20, insert:

“C. The Board of Corrections shall not approve or commit additional funds for the state share of the cost of construction, enlargement, or renovation of a local or regional jail facility, except when such project is consistent with the projected number of local and state responsible offenders to be housed in such facility.”

Public Safety

Item 416 #12s

Division Of Community Corrections

Language

Language:

Page 319, following line 19, insert:

“4. The Rappahannock Regional Jail Authority, in order to proceed in planning for an expansion project. Notwithstanding the provisions of Section 53.1-82.3, Code of Virginia, the Authority may submit the required community-based corrections plan, facility specifications, and the expected financing costs to the Department of Corrections and State Board of Corrections prior to March 1, 2005. Furthermore, the Governor may include a recommendation for funding such project for consideration by the General Assembly at its 2005 Session.”

Public Safety

Item 416 #13s

Division Of Community Corrections

Language

Language:

Page 319, line 20, insert:

“C. The Board of Corrections shall not approve or commit additional funds for the state share of the cost of construction, enlargement, or renovation of a local or regional jail facility, except when such project is proposed to be built using Community Custody Facilities Standards as adopted by the

Board, unless the use of more expensive construction standards is justified, based on a documented projection of offender populations that would require a higher level of security.”

Public Safety Item 416 #14s
Division Of Community Corrections

Language

Language:

Page 319, following line 19, insert:

“C. The Hampton Roads Regional Jail Authority, with the assistance of the Departments of Corrections and Mental Health, Mental Retardation and Substance Abuse Services, may prepare a preliminary report on the feasibility of developing a specialized facility at the regional jail complex for jail inmates referred by the criminal courts of the Commonwealth for evaluation and treatment, pursuant to the provisions of Chapter 11 of Title 19.2 of the Code of Virginia. Such facility would be owned by the Hampton Roads Regional Jail Authority, and operated under contract by the Department of Mental Health, Mental Retardation and Substance Abuse Services, with the goal of reducing waiting times for emergency treatment, evaluation of competency to stand trial and/or sanity, and restoration to competency to stand trial. The Departments of Corrections and Mental Health, Mental Retardation and Substance Abuse Services shall provide all necessary technical assistance to support this study in cooperation with the Hampton Roads Regional Jail Authority. A report on this study shall be provided to the Secretaries of Public Safety and Health and Human Resources, the Chairmen of the Senate Finance and House Appropriations Committees, and the Chairman of the Joint Commission on Health Care, by October 15, 2004.”

Public Safety Item 419 #1s
Division Of Institutions

Language

Language:

Page 320, line 15, before “To”, insert “A.”.

Page 320, after line 17, insert:

“B. The Governor may authorize or direct the transfer of prisoner labor, or of farm commodities produced, at any state agency to any other state agency. It is further provided that unit prices of foodstuffs or other commodities produced on farms shall be fixed on a basis no more frequently than semiannually by the Director, Department of Corrections. These unit prices shall be the basis for charging the value of foods produced by the farms and consumed by the producing agencies or sold to other state agencies of the Commonwealth under the provisions of § 2.2-1116, Code of Virginia.”

Public Safety Item 420 #1s
Division Of Institutions

	FY 04-05	FY 05-06	
	\$894,000	\$894,000	GF
	15.00	15.00	FTE

Language:

Page 320, line 18, strike “\$405,086,042” and insert “\$405,980,042”.

Page 320, line 18, strike “\$407,600,523” and insert “\$408,494,523”.

Public Safety Item 420 #2s
Division Of Institutions

	FY 04-05	FY 05-06	
	(\$635,408)	(\$1,980,665)	GF

Language:

Page 320, line 18, strike "\$405,086,042" and insert "\$404,450,634".
 Page 320, line 18, strike "\$407,600,523" and insert "\$405,619,858".

Public Safety			Item 420 #3s
Division Of Institutions	FY 04-05	FY 05-06	
	\$1,445,715	\$1,445,715	GF

Language:

Page 320, line 18, strike "\$405,086,042" and insert "\$406,531,757".
 Page 320, line 18, strike "\$407,600,523" and insert "\$409,046,238".

Public Safety			Item 420 #4s
Division Of Institutions	FY 04-05	FY 05-06	
	\$250,000	\$250,000	NGF

Language:

Page 320, line 18, strike "\$405,086,042" and insert "\$405,336,042".
 Page 320, line 18, strike "\$407,600,523" and insert "\$407,850,523".
 Page 320, line 33, strike "100,000" and "100,000" and insert "150,000" and "150,000".
 Page 320, line 34, strike "Prison Family Support Services" and insert "Assisting Families of Inmates".
 Page 320, line 35, strike "100,000" and "100,000" and insert "300,000" and "300,000".

Public Safety			Item 420 #5s
Division Of Institutions			
			Language

Language:

Page 321, line 31, after "D." insert "1."
 Page 321, line 31, strike "may" and insert "shall".
 Page 321, following line 36, insert:
 "2. The Department shall prepare a plan to house a total of 1,000 state-responsible offenders in such local and regional jails as it may deem appropriate, pursuant to the jail contract bed program, during the 2004-06 biennium. As a companion to this plan, the Department shall submit a budget amendment to the Department of Planning and Budget requesting the anticipated funds required to implement this plan, either in full or in part. As approved by the Secretary of Public Safety, the plan and associated request for funding shall be presented to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees by September 15, 2004."

Public Safety			Item 427 #1s
Department Of Criminal Justice	FY 04-05	FY 05-06	
Services	\$433,260	\$519,912	GF
	12.00	12.00	FTE

Language:

Page 324, line 13, strike "\$27,463,414" and insert "\$27,896,674".
 Page 324, line 13, strike "\$27,463,414" and insert "\$27,983,326".

Public Safety			Item 430 #2g
Department Of Criminal Justice	FY 04-05	FY 05-06	
Services	\$101,620	\$101,620	GF

Language:

Page 324, line 40, strike "\$65,420,178" and insert "\$65,521,798".
 Page 324, line 40, strike "\$65,420,178" and insert "\$65,521,798".
 Page 325, line 21, strike "\$914,585" and insert "\$1,016,205".
 Page 325, line 21, strike "\$914,585" and insert "\$1,016,205".

Public Safety				Item 430 #3s
Department Of Criminal Justice	FY 04-05	FY 05-06		
Services	\$220,000	\$220,000		GF

Language:

Page 324, line 40, strike "\$65,420,178" and insert "\$65,640,178".
 Page 324, line 40, strike "\$65,420,178" and insert "\$65,640,178".

Public Safety				Item 430 #8s
Department Of Criminal Justice	FY 04-05	FY 05-06		
Services	\$146,250	\$146,250		GF

Language:

Page 324, line 40, strike "\$65,420,178" and insert "\$65,566,428".
 Page 324, line 40, strike "\$65,420,178" and insert "\$65,566,428".
 Page 325, line 40, strike "828,750" and "828,750" and insert "975,000" and "975,000".

Public Safety				Item 430 #10s
Department Of Criminal Justice	FY 04-05	FY 05-06		
Services	\$2,184,000	\$2,184,000		GF

Language:

Page 324, line 40, strike "\$65,420,178" and insert "\$67,604,178".
 Page 324, line 40, strike "\$65,420,178" and insert "\$67,604,178".
 Page 325, line 42, strike "18,620,828" and insert "20,804,828".
 Page 325, line 43, strike "18,620,828" and insert "20,804,828".
 Page 326, strike lines 22-40.

Public Safety				Item 430 #11s
Department Of Criminal Justice	FY 04-05	FY 05-06		
Services	\$83,600	\$75,850		GF
	1.00	1.00		FTE

Language:

Page 324, line 40, strike "\$65,420,178" and insert "\$65,503,778".
 Page 324, line 40, strike "\$65,420,178" and insert "\$65,496,028".

Public Safety				Item 432 #2s
Department Of Criminal Justice Services				
				Language

Language:

Page 328, strike lines 12-18.
 Page 328, line 19, strike "C" and insert "B".

Public Safety				Item 436 #2s
Department Of Fire Programs	FY 04-05	FY 05-06		
	(\$1,250,000)	\$0		GF

Language:

Page 329, line 32, strike "\$18,373,574" and insert "\$17,123,574".

Public Safety

Item 441 #1s

Department Of Juvenile Justice

FY 04-05

FY 05-06

\$788,289

\$788,289

GF

Language:

Page 331, line 41, strike "\$51,878,246" and insert "\$52,666,535".

Page 331, line 41, strike "\$51,878,246" and insert "\$52,666,535".

Public Safety

Item 445 #1s

Department Of Juvenile Justice

Language

Language:

Page 334, strike lines 18-25.

Public Safety

Item 445.1 #1s

Department Of Juvenile Justice

FY 04-05

FY 05-06

\$175,887

\$0

GF

Language:

Page 334, following line 25, insert:

"445.1 Corrections Special Reserve Fund (35900).....\$175,887.....\$0

Corrections Operating Special Reserve (35901).....\$175,887.....\$0

A. From the appropriation in this Item, \$175,887 the first year is provided for the estimated increase in the operating costs of juvenile correctional facilities resulting from the enactment of Senate Bill 339, as engrossed.

B. The funds shall be paid into the Corrections Special Reserve Fund, established in accordance with Section 30-19.1:4 of the Code of Virginia."

Public Safety

Item 456 #4s

Department Of State Police

Language

Language:

Page 338, line 11, strike line 11 and insert "This appropriation includes"

Page 338, line 15, after "sworn personnel" strike "is" and insert "."

Page 338, strike lines 16 through 19.

Technology

Item 463 #1s

Virginia Information Technologies Agency

Language

Language:

Page 342, following line 56, insert:

"D. The provisions of Title 2.2, Chapter 20.1 of the Code of Virginia shall not apply to the Virginia Port Authority."

Technology

Item 463 #1s

Virginia Information Technologies Agency

Language

Language:

Page 342, after line 56, insert:

“D. The requirement that the Department of Mental Health, Mental Retardation, and Substance Abuse Services purchase information technology equipment or services from the Virginia Information Technologies Agency according to the provisions of Chapters 981 and 1021, Acts of Assembly of 2003 shall not adversely impact the provision of services to mentally disabled clients.”

Technology

Item 463 #3s

Virginia Information Technologies Agency

Language

Language:

Page 342, following line 56, insert:

“D. The provisions of Title 2.2, Chapter 20.1 of the Code of Virginia shall not apply to the Department of State Police.”.

Technology

Item 463 #4s

Virginia Information Technologies Agency

Language

Language:

Page 342, following line 56, insert:

“D. The Information Technology Investment Board in addition to the responsibilities as set forth in the 9th Enactment clause of Chapter 981 of the 2003 Acts of the Assembly, shall have the authority to postpone the implementation schedule of any state agency by a vote of the majority of members. The members may consider the following reasons for postponement: security and sensitivity of information, adverse economic affects on participants' benefits, unusual effects on the agency's budget, or other matters that could adversely effect the Commonwealth's operations in the opinion of the Chief Information Officer.”.

Technology

Item 463 #5s

Virginia Information Technologies Agency

Language

Language:

Page 342, following line 56, insert:

“D. The Department of Human Resource Management shall review and may approve all compensation actions for employees of the Virginia Information Technologies Agency.”.

Technology

Item 466 #1s

Virginia Information Technologies Agency

FY 04-05
(\$7,279,630)

FY 05-06
(\$600,000)

GF

Language:

Page 343, line 30, strike “\$14,932,851” and insert “\$7,653,221”.

Page 343, line 30, strike “\$8,185,999” and insert “\$7,585,999”.

Page 344, strike lines 49 to 56.

Transportation

Item 470 #1s

Department Of Aviation

Language

Language:

Page 350, after line 12, insert:

“The Director, Department of Aviation, shall prepare general guidelines regarding aircraft acquisition and use that shall include a requirement for state agencies to develop written policies on usage, charge rates and record keeping. The Director shall examine the aircraft needs of state agencies and determine the most efficient and effective method of organizing and managing the Commonwealth's aircraft operations. The Director shall implement the aircraft management system he determines to be most suitable and revise it periodically as the need arises.”

Transportation Item 474 #1s
Department Of Aviation

Language

Language:

Page 351, strike lines 26 through 30.

Transportation Item 475 #2s
Department Of Motor Vehicles

Language

Language:

Page 351, line 44, insert “A.” before “The”.

Page 351, after line 46, insert:

“B. The Auditor of Public Accounts shall conduct a follow-up status review of his November 13, 2003, report entitled “Department of Motor Vehicles Cost Analysis Special Report.” The report shall specifically address the progress of the Department of Motor Vehicles' efforts to implement the cost methodology and develop effective productivity measures as recommended. In addition, the Auditor should report on the changes to the Department of Motor Vehicles budget processes to ensure that these activities include the development and monitoring of the budget, including all funding sources and overall financial policy. The Auditor shall submit his findings and any recommendations by December 1, 2004, to the Governor and the Secretary of Transportation and to the Chairmen of the House Committees on Transportation and Appropriations and to the Chairmen of the Senate Committees on Transportation and Finance.

C. The Department of Motor Vehicles shall work with the Secretary of Transportation to develop performance goals and strategies in budget amendments to be submitted for review and approval by the 2005 Session. Goals and strategies shall be based on realistic assumptions of revenues and appropriations, and shall address the major activities of the agency, including: (1) Driver Licensing; (2) Driver Monitoring; (3) Driver Reinstatement; (4) Vehicle Titling and Registration; (5) Vehicle Insurance Monitoring; (6) Dealer Licensing and Regulation; and (7) Customer Records and Information.”

Transportation			Item 482 #1s
Department Of Rail And Public	FY 04-05	FY 05-06	
Transportation	\$408,000	\$408,000	NGF

Language:

Page 353, line 27, strike “\$155,507,039” and insert “\$155,915,039”.

Page 353, line 27, strike “\$252,963,017” and insert “\$253,371,017”.

Page 354, after line 58, insert:

“I. Out of the amounts for this Item, \$408,000 the first year and \$408,000 the second year shall be provided to the Greater Richmond Transit Company (GRTC) to continue two express bus operations of GRTC routes previously approved by the Board of Supervisors of Chesterfield County. To receive the funding, Chesterfield County shall match such monies on a dollar-for-dollar basis, and shall

communicate its decision to participate in the program to the department no later than 30 days after enactment of this act. If the County elects not to participate, then the monies shall be made available for other programs and projects.”

Transportation Item 482 #3s
 Department Of Rail And Public Transportation Language

Language:

Page 353, line 35, after “A.”, insert “1.”
 Page 353, after line 38, insert:
 “2. Not included in this appropriation is an amount estimated at \$10,122,400 the first year and \$10,403,000 the second year allocated directly to transit agencies from federal sources for the Surface Transportation Program (STP) and the Minimum Guarantee program.”

Transportation Item 483 #3s
 Department Of Rail And Public Transportation Language

Language:

Page 355, line 6, insert “A.” before “Out”.
 Page 355, after line 14, insert:
 “B. The Department shall report to the Secretary of Transportation and to the Chairmen of the Senate Committees on Finance and Transportation and to the Chairmen of the House Committees on Appropriations and Transportation by January 10, 2005, on the status of the Trans Dominion Express. The report shall include updated operating and capital costs to establish the line and potential funding sources. In addition, the report shall identify nonfinancial issues requiring resolution before the line can be started.”

Transportation Item 483 #4s
 Department Of Rail And Public Transportation Language

Language:

Page 355, line 6, before “Out” insert “A.”.
 Page 355, after line 14, insert:
 “B. The department shall develop cost estimates for establishing commuter rail service in time for the Jamestown 2007 Commemoration from Richmond City's Main Street Station to the City of Williamsburg via the Richmond International Airport. The estimates shall be submitted by December 30, 2004 to the Secretary of Transportation and to the Chairmen of the Senate Finance and Transportation Committees and to the Chairmen of the House Appropriations and Transportation Committees.”

Transportation Item 484 #3s
 Department Of Transportation Language

Language:

Page 356, after line 26, insert:
 “G. The Auditor of Public Accounts shall conduct a follow-up status review of his July 8, 2002, report entitled “Special Review of the Cash Management and Capital Budgeting Practices” for the Department of Transportation. The Auditor shall specifically review Transportation's

implementation of the cash and expenditure forecasting model, project cost estimating system and the development of the Six Year Program as a financially constrained capital budget. The Auditor shall include Transportation's progress on implementing all other recommendations within the July 8, 2002 report. The Auditor shall report his findings to the Governor and the Secretary of Transportation and to the Chairmen of the House Committees on Transportation and Appropriations and to the Chairmen of the Senate Committees on Transportation and Finance no later than December 1, 2004.

H. The Department of Transportation shall work with the Secretary of Transportation to develop performance goals and strategies in budget amendments to be submitted for review and approval by the 2005 Session. Goals and strategies shall be based on realistic assumptions of revenues and appropriations, and shall address the major activities of the agency, including: (1) Highway System Maintenance; (2) Highway System Construction; (3) Financial Planning, Management, and Accountability; (4) Toll Facilities Operations and Management; (5) Environmental Evaluation and Planning; (6) Traffic Engineering; and (7) Transportation Research.”

Transportation Item 484 #4s
 Department Of Transportation

Language

Language:

Page 356, after line 26, insert:

“G. The department is authorized to donate the Marion Residency to the Town of Marion or to Smyth County for economic development purposes.”

Transportation Item 488 #3s
 Department Of Transportation

Language

Language:

Page 357, after line 48, insert:

“C.1. The department shall adhere to the policy set by the 2002 Session of the General Assembly concerning the application of tolls or user fees on Interstate 81 in signing any comprehensive agreement pursuant to the Public-Private Transportation Act of 1995. State law prohibits the imposition of tolls or user fees on Interstate 81 on passenger cars, pickup or panel trucks, and motorcycles as such terms are defined in § 46.2-200, Code of Virginia. Unless the Federal Highway Administration exercises its authority to approve a pilot project for Interstate 81 permitting the use of tolls on passenger cars, this policy continues.

2. It is the intent of the General Assembly that the Commonwealth Transportation Board proceed with the environmental study of the Interstate 81 reconstruction project and that this study consider and incorporate the mitigating impacts of various rail options on the environment.”

Transportation Item 492 #2s
 Department Of Transportation

Language

Language:

Page 358, after line 49, insert:

“C. Out of the amounts for Financial Assistance for Planning, Access Roads, and Special Projects, \$50,000 the first year and \$50,000 the second year from the Commonwealth Transportation Fund shall be provided to support the transportation planning activities of the Northern Virginia

Transportation Authority. The Authority shall comply with all applicable federal and state regulations to receive the monies.”

Transportation			Item 493 #1s
Department Of Transportation			Language

Language:

Page 360, after line 23, insert:
 “3. Contingent upon the availability of additional revenues, projects identified as part of the U.S. Route 58 Corridor Development Program shall be afforded the highest priority in terms of funding within their respective districts.”

Transportation			Item 493 #2s
Department Of Transportation	FY 04-05	FY 05-06	
	(\$167,839,911)	(\$179,040,289)	GF

Language:

Page 359, line 2, strike “\$469,767,289” and insert “\$301,927,378”.
 Page 359, line 2, strike “\$512,134,870” and insert “\$333,094,581”.
 Page 363, strike lines 10 through 27.

Central Appropriations			Item 502 #2s
Central Appropriations			Language

Language:

Page 369, after line 57, insert:
 “E. There is hereby appropriated to the Tobacco Indemnification and Community Revitalization Endowment all proceeds of any sale of the Commission Allocation pursuant to the provisions of Chapter 482 of the 2002 Acts of Assembly.”

Central Appropriations			Item 502 #3s
Central Appropriations			Language

Language:

Page 369, after line 57, insert:
 “E. The Tobacco Indemnification and Community Revitalization Commission shall develop recommendations on how Virginia Non-Participating Manufacturers (NPM) to the Master Settlement Agreement (MSA) may join the MSA in a manner that will not lead to a loss of jobs by the NPMs and will maximize revenue for the Commonwealth. In developing the recommendations the Commission shall examine these measures from the 2004 Session -- Senate Bill 649, Senate Bill 675, House Bill 345, and House Bill 1428 -- as well as manufacturers assessment proposals suggested by the NPMs. Recommendations shall be submitted to the Senate Committees on Finance and Agriculture, Conservation and Natural Resources, the House Committees on Appropriations and Agriculture, Chesapeake and Natural Resources, the Governor and the Attorney General by November 1, 2004.”

Central Appropriations			Item 504 #1s
Central Appropriations	FY 04-05	FY 05-06	
	(\$25,774,963)	(\$130,796,357)	GF

Language:

Page 370, line 26, strike "\$25,774,963" and insert "\$0".

Page 370, line 26, strike "\$130,796,357" and insert "\$0".

Page 370, strike lines 25 to 49.

Central Appropriations			Item 505 #3s
Central Appropriations	FY 04-05	FY 05-06	
	\$752,935	\$1,390,036	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$12,811,628".

Page 370, line 50, strike "\$116,397,852" and insert "\$117,787,888".

Page 376, following line 39, insert:

"P.1. In addition to the increase authorized in paragraphs F to L of this item, \$752,935 the first year and \$1,390,036 the second year is included for a 2.1 percent competitive salary adjustment effective November 25, 2004 for Justices of the Supreme Court of Virginia and Judges of the Court of Appeals of Virginia, Circuit Courts, General District Courts, Juvenile and Domestic Relations District Courts, and Combined District Courts.

2. The Senate Finance Committee's Subcommittee on General Government and the House Appropriations Committee's Subcommittee on Compensation and Retirement shall review the compensation and benefits provided to judges and justices. The subcommittees shall provide their joint findings and recommendations to the Chairmen of the Senate Finance Committee and the House Appropriations Committee and the Chief Justice of the Supreme Court by November 1, 2004. The Executive Secretary of the Supreme Court and the Director of the Department of Human Resource Management shall provide such assistance as may be required."

Central Appropriations			Item 505 #5s
Central Appropriations	FY 04-05	FY 05-06	
	\$5,628,521	\$5,628,521	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$17,687,214".

Page 370, line 50, strike "\$116,397,852" and insert "\$122,026,373".

Page 372, following line 45, insert:

"F. In lieu of the salary increases authorized in paragraphs F to L of this Act, sworn officers of the Virginia Department of State Police shall receive an increase in base salary and related employee benefits equal to 6.42 percent on July 1, 2004. This increase is sufficient, when combined with actions provided for elsewhere in this Act, to bring the starting salary for State Troopers to \$33,000 per year."

Central Appropriations			Item 505 #7s
Central Appropriations	FY 04-05	FY 05-06	
	\$18,552,158	\$18,552,158	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$30,610,851".

Page 370, line 50, strike "\$116,397,852" and insert "\$134,950,010".

Page 372, following line 45, insert:

“F. In lieu of the salary increases authorized in paragraphs F to L of this Act, sheriffs, deputy sheriffs and regional jail officers shall receive an increase in base salary and related employee benefits equal to 6.42 percent on July 1, 2004.”

Central Appropriations			Item 505 #8s
Central Appropriations	FY 04-05	FY 05-06	
	\$26,950,128	\$49,753,994	GF

Language:

- Page 370, line 50, strike “\$12,058,693” and insert “\$39,008,821”.
- Page 370, line 50, strike “\$116,397,852” and insert “\$166,151,846”.
- Page 372, line 48, strike “2005” and insert “2004”.
- Page 372, line 54, strike “\$28,354,907” and insert “\$26,950,128” and “\$49,753,994”.

Central Appropriations			Item 505 #9s
Central Appropriations	FY 04-05	FY 05-06	
	\$8,351,502	\$12,602,567	GF

Language:

- Page 370, line 50, strike “\$12,058,693” and insert “\$20,410,195”.
- Page 370, line 50, strike “\$116,397,852” and insert “\$129,000,419”.
- Page 372, line 52, strike “2005” and insert “2004”.
- Page 374, line 55, strike “\$12,408,550” and insert “\$8,351,502” and “\$12,602,567”.

Central Appropriations			Item 505 #10s
Central Appropriations	FY 04-05	FY 05-06	
	\$397,880	\$397,880	GF

Language:

- Page 370, line 50, strike “\$12,058,693” and insert “\$12,456,573”.
- Page 370, line 50, strike “\$116,397,852” and insert “\$116,795,732”.
- Page 372, following line 45, insert:
 “F. Sworn officers of the Capitol Police Department shall receive an increase in base salary and related employee benefits to implement the Capitol Police Pay Plan on November 25, 2004. This increase is sufficient, when combined with actions provided for elsewhere in this Act to bring the starting salary for Capitol Police Officers to a level that is competitive with campus police.”

Central Appropriations			Item 505 #11s
Central Appropriations	FY 04-05	FY 05-06	
	\$0	(\$105,309,298)	GF

Language:

- Page 370, line 50, strike “\$116,397,852” and insert “\$11,088,554”.
- Page 372, strike lines 46 to 56.
- Page 373, strike lines 1 to 44.
- Page 374, strike lines 1 to 55.
- Page 375, strike lines 1 to 49.
- Page 376, strike lines 1 to 12.

Central Appropriations			Item 505 #12s
Central Appropriations	FY 04-05	FY 05-06	
	(\$3,593,030)	(\$2,254,819)	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$8,465,663".
Page 370, line 50, strike "\$116,397,852" and insert "\$114,143,033".
Page 376, strike lines 13 to 39.

Central Appropriations			Item 505 #13s
Central Appropriations	FY 04-05	FY 05-06	
	\$4,538,250	\$4,538,250	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$16,596,943".
Page 370, line 50, strike "\$116,397,852" and insert "\$120,936,102".
Page 372, following line 45, insert:
"F. Included in the amounts for Compensation Supplements is \$4,538,250 the first year and \$4,538,250 the second year to address salary compression issues for sworn officers of the Virginia Department of State Police."

Central Appropriations			Item 506 #1s
Central Appropriations	FY 04-05	FY 05-06	
	\$238,500	\$281,200	GF

Language:

Page 376, line 40, strike "\$28,999,720" and insert "\$29,238,220".
Page 376, line 40, strike "\$25,784,869" and insert "\$26,066,069".
Page 379, after line 39, insert:
"L. Out of this appropriation, \$238,500 the first year and \$281,200 the second year from the general fund is provided for the Department of General Services rent plan for unanticipated utility cost increases at the seat of government."

Central Appropriations			Item 506 #5s
Central Appropriations			
			Language

Language:

Page 378, line 40, insert:
"4. Out of these funds, the Center for Innovative Technology shall provide a three-year grant totaling \$500,000 each year to the Southeastern Universities Research Association, Inc. for the development of the Hampton Roads Research Institute."

Central Appropriations			Item 506 #7s
Central Appropriations			
			Language

Language:

Page 378, line 9, after "law.", insert:
"In accordance with Chapters 1019 and 1044, Acts of Assembly of 2000, the project list is amended to include state road improvements for the APM terminal to address costs beyond the funding capability of existing programs."

Central Appropriations			Item 507 #1s
Central Appropriations			
			Language

Language:

Page 379, strike lines 43-52.

Page 380, strike lines 1-5 and insert:

“A. This appropriation includes \$2,510,000 in each year from the general fund for implementing the Statewide Agencies Radio System (STARS) project.

B. This appropriation includes \$123,599 the first year and \$244,359 the second year from the general fund for the replacement of the existing two-way radio system at the Department of Forestry.”

Central Appropriations

Item 507 #2s

Central Appropriations

Language

Language:

Page 380, line 2, strike “is contingent upon the passage into law of the”.

Page 380, strike lines 3 through 5 and insert “.”.

Independent Agencies

Item 522 #1s

Virginia Retirement System

FY 04-05

FY 05-06

\$350,000

\$50,000

NGF

1.00

1.00

FTE

Language:

Page 386, line 2, strike “\$22,651,837” and insert “\$23,001,837”.

Page 386, line 2, strike “\$23,943,701” and insert “\$23,993,701”.

Page 386, following line 34, insert:

“Upon final approval of Senate Bill 284, introduced during the 2004 General Assembly Session, the Virginia Retirement System shall reimburse the Department of Human Resource Management for reasonable costs incurred in the administration of health insurance benefits related to the Line of Duty Act as mutually agreed upon by the Director of the Virginia Retirement System and the Director of the Department of Human Resource Management.”

Independent Agencies

Item 527 #1s

Virginia Office For Protection And

FY 04-05

FY 05-06

Advocacy

(\$55,000)

(\$55,000)

GF

Language:

Page 387, line 38, strike “\$1,226,106” and insert “\$1,171,106”.

Page 387, line 38, strike “\$1,226,106” and insert “\$1,171,106”.

General Conditions

Item C-0 #1s

General Conditions

Language

Language:

Page 392, following line 25, insert:

“9. A deposit equal to two percent of the annual value of any tax-supported debt issued by the Treasury Board, Virginia Public Building Authority or Virginia College Building Authority on or after July 1, 2004 shall be paid into the Capital Repairs and Improvements Revolving Fund up to the limits specified in Item C-194.1 of this act. The Treasurer of Virginia shall require these deposits as part of the bond covenants; however the covenants shall clearly state that any deposits required to

the Capital Repair and Improvement Fund shall not come either directly or indirectly from debt proceeds.”

General Conditions

Item C-0 #2s

General Conditions

Language

Language:

Page 393, following line 14, insert:

“L. Conditions Applicable to Alternative Financing

1. Any agency or institution of the Commonwealth that would construct, purchase, lease, or exchange a capital asset by means of an alternative financing mechanism, such as the Public Private Education Infrastructure Act, or similar statutory authority, shall provide a report to the Governor and the Chairmen of the Senate Finance Committee and the House Appropriations Committee no less than thirty days prior to entering into such alternative financing agreement. This report shall provide:

- a.) a description of the purpose to be achieved by the proposal,
- b.) a description of the financing options available, including the alternative financing, which will delineate the revenue streams or client populations pledged or encumbered by the alternative financing,
- c.) an analysis of the alternatives clearly setting out the advantages and disadvantages of each for the Commonwealth,
- d.) an analysis of the alternatives clearly setting out the advantages and disadvantages of each for the clients of the agency or institution, and
- e.) a recommendation and planned course of action based on this analysis.”

General Conditions

Item C-0 #3s

General Conditions

Language

Language:

Page 393, following line 14, insert:

“L. Conditions Applicable to Alternative Financing

1. The following individuals, and members of their immediate family, may not engage in an alternative financing arrangement with any agency or institution of the Commonwealth, where the potential for financial gain, or other factors may cause a conflict of interest or the perception of a conflict of interest:

- a) A member of the agency or institution's governing body;
- b) Any elected or appointed official of the Commonwealth or its agencies and institutions who has, or reasonably can be assumed to have, a direct influence on the approval of the alternative financing arrangement; or
- c) Any elected or appointed official of a participating political subdivision, or authority who has, or reasonably can be assumed to have, a direct influence on the approval of the alternative financing arrangement.”

Administration

Item C-3.1 #1s

Department Of General Services

FY 04-05

FY 05-06

\$0

\$2,497,000

NGF

Language:

Page 393, following line 25, insert:

“C-3.1. Improvements: Demolition of the 8th Street Office Building

\$2,497,000

Fund Sources: Bond Proceeds \$2,497,000”.

Commerce And Trade			Item C-6.10 #1s
Department Of Forestry	FY 04-05	FY 05-06	
	\$546,000	\$0	NGF

Language:

Page 394, following line 12, insert:
 “C-6.10. New Construction: Abingdon Shop and Cold Storage \$546,000
 Fund Sources: Bond Proceeds \$546,000”.

Commerce And Trade			Item C-6.10 #2s
Department Of Forestry	FY 04-05	FY 05-06	
	\$1,076,000	\$0	NGF

Language:

Page 394, following line 12, insert:
 “C-6.10. New Construction: Abingdon Shop and Cold Storage \$1,076,000
 Fund Sources: Bond Proceeds \$1,076,000”.

Education: Higher Education			Item C-15.1 #3s
The College Of William And Mary In Virginia	FY 04-05	FY 05-06	
	\$40,000,000	\$0	NGF

Language:

Page 395, line 13, insert:
 “C-15.1. New Construction: School of Business Building
 (16648) \$40,000,000 \$40,000,000
 Fund Sources: Bond Proceeds \$40,000,000”. \$40,000,000”.

1. Subject to Section 4-4.01x of this act and approval of a Final Project Proposal by the Commonwealth of Virginia, the General Assembly authorizes the College of William and Mary with the approval of the Governor, to explore and evaluate an alternative financing scenario to support construction of a new school of business facility or facilities on the main campus of the College.
2. The General Assembly authorizes the College of William and Mary to enter into a written agreement with the School of Business Foundation or other private entity to design, construct and finance a facility or facilities to provide classroom, faculty office, and other operational related academic and support space for the College's School of Business. The facility, or facilities, may be located on property owned by the Commonwealth of Virginia. The College of William and Mary is also authorized to enter into a written agreement with the School of Business Foundation or other private entity to lease a suitable site to the Foundation or private entity and to lease the facility or facilities from the Foundation or private entity once constructed.
3. The General Assembly further authorizes the College of William and Mary to enter into a written agreement with the School of Business Foundation or other private entity for the support of the facility or facilities by including the facility or facilities in the College's facility inventory and managing its operation and maintenance, and by otherwise supporting the facility or facilities consistent with law, provided that the College shall not be required to take any action that would constitute a breach of the College's obligations under any documents or other instruments constituting or securing bonds or other indebtedness of the College or the Commonwealth of Virginia.
4. The General Assembly further states its intent to permit construction of this project in accordance with state law, the College's nongeneral fund decentralization Memorandum of Understanding with the Secretaries of Administration and Finance, and with agreement by the School of Business

Foundation or other private entity to provide from private funds a substantial majority of the cost of the project and the funds necessary to retire any related debt service.

5. The College shall be responsible for ensuring all debt service payments on this project from private funds and student fees.”

Education: Higher Education			Item C-15.10 #1s
The College Of William And Mary In Virginia	FY 04-05 \$2,821,000	FY 05-06 \$0	NGF

Language:

Page 395, line 14, insert:

“C-15.10. New Construction: Parking Deck Supplement \$2,821,000
Fund Sources: Bond Proceeds \$2,821,000”.

Education: Higher Education			Item C-15.10 #2s
The College Of William And Mary In Virginia	FY 04-05 \$1,600,000	FY 05-06 \$0	NGF

Language:

Page 395, line 14, insert:

“C-15.10. Acquisition: Emergency Generators \$1,600,000
Fund Sources: Bond Proceeds \$1,600,000”.

Education: Higher Education			Item C-17.1 #1s
Virginia Institute Of Marine Science	FY 04-05 \$2,000,000	FY 05-06 \$0	NGF

Language:

Page 395, following line 27, insert:

“C-17.1. New Construction: Field Support Center \$2,000,000
Fund Sources: Bond Proceeds \$2,000,000”.

Education: Higher Education			Item C-17.1 #5s
Virginia Institute Of Marine Science	FY 04-05 \$2,000,000	FY 05-06 \$0	NGF

Language:

Page 395, following line 27, insert:

“C-17.1. Improvements: Maury Hall Renovation \$2,000,000
Fund Sources: Higher Education Operating \$2,000,000”.

Education: Higher Education			Item C-18 #1s
George Mason University			

Language

Language:

Page 395, line 34, insert:

“A. The General Assembly authorizes George Mason University, with approval of the Governor, to explore and evaluate an alternative financing scenario to provide an addition to the existing Krasnow Institute. This project must be consistent with the Virginia Uniform Statewide Building Code 7 of October 1, 2003, and comply with the Treasury Board Guidelines issued pursuant to 23-19(d)(4), Code of Virginia, and subsequent amendments thereto.

B. The General Assembly authorizes George Mason University to enter into a written agreement with a public or private entity to design, construct and finance an addition to the Krasnow Institute. The addition may be located on property owned by the Commonwealth. All project proposals and approvals shall be in accordance with the guidelines cited in paragraph A of this item.

C. In the event that the Krasnow Institute project is financed through alternative financing and constructed on land owned by or leased to a private University-related foundation, or owned by or leased to a private entity, such project shall continue to be exempt from all requirements of any county or city zoning ordinances; however, such project must still comply with state building permit requirements, environmental reviews and permits, and the provisions of the Virginia uniform Building Code.”

Education: Higher Education
George Mason University

Item C-21 #1s

Language

Language:

Page 396, line 10, insert:

“A. The General Assembly authorizes George Mason University, with approval of the Governor, to explore and evaluate an alternative financing scenario to provide a Conference Center for the Institute for Conflict Analysis and Resolution. This project must be consistent with the Virginia Uniform Statewide Building Code 7 of October 1, 2003, and comply with the Treasury Board Guidelines issued pursuant to 23-19(d)(4), Code of Virginia, and subsequent amendments thereto.

B. The General Assembly authorizes George Mason University to enter into a written agreement with a public or private entity to design, construct and finance a Conference Center for the Institute for Conflict Analysis and Resolution. The Conference Center may be located on property owned by the Commonwealth. All project proposals and approvals shall be in accordance with the guidelines cited in paragraph A of this item.

C. In the event that the Conference Center for the Institute for Conflict Analysis and Resolution project is financed through alternative financing and constructed on land owned by or leased to a private University-related foundation, or owned by or leased to a private entity, such project must still comply with state building permit requirements, environmental reviews and permits, and the provisions of the Virginia uniform Building Code.”

Education: Higher Education
George Mason University

Item C-28 #1s

FY 04-05	FY 05-06	
(\$1,942,000)	\$0	NGF

Language:

Page 396, line 28, strike “\$1,942,000” and insert “\$0”.

Education: Higher Education
George Mason University

Item C-29.10 #1s

FY 04-05	FY 05-06	
\$3,325,000	\$0	NGF

Language:

Page 397, line 4, insert:

“C-29.10. Improvements: North Loop Utility Infrastructure Supplement	\$3,325,000
Fund Sources: Bond Proceeds	\$3,325,000”.

Education: Higher Education
George Mason University

Item C-29.20 #1s

FY 04-05	FY 05-06	
\$1,750,000	\$0	NGF

Language:

Page 397, line 4, insert:

“C-29.20. New Construction: Prince William IIIA Supplement \$1,750,000
Fund Sources: Bond Proceeds \$1,750,000”.

Education: Higher Education			Item C-29.20 #2s
George Mason University	FY 04-05	FY 05-06	
	\$1,500,000	\$0	NGF

Language:

Page 397, line 4, insert:

“C-29.20. New Construction: Prince William IIIA Supplement \$1,500,000
Fund Sources: Higher Education Operating \$1,500,000”.

Education: Higher Education			Item C-29.20 #3s
George Mason University	FY 04-05	FY 05-06	
	\$1,500,000	\$0	NGF

Language:

Page 397, line 4, insert:

“C-29.20. New Construction: Center for the Arts \$1,500,000
Fund Sources: Higher Education Operating \$1,500,000”.

Education: Higher Education			Item C-34.1 #1s
James Madison University	FY 04-05	FY 05-06	
	\$13,600,000	\$0	NGF

Language:

Page 397, following line 26, insert:

“C-34.1. New Construction: Parking Deck \$13,600,000
Fund Sources: Bond Proceeds \$13,600,000”.

Education: Higher Education			Item C-34.1 #2s
James Madison University	FY 04-05	FY 05-06	
	\$8,000,000	\$0	NGF

Language:

Page 397, following line 26, insert:

“C-34.1. New Construction: Planning and Construction of New Student
Recreation Fields \$8,000,000
Fund Sources: Higher Education Operating \$8,000,000”.

Education: Higher Education			Item C-39 #2s
Mary Washington College	FY 04-05	FY 05-06	
	\$5,000,000	\$0	NGF

Language:

Page 398, line 9, strike “\$20,000,000” and insert “\$25,000,000”.

Education: Higher Education			Item C-40 #3s
Mary Washington College	FY 04-05	FY 05-06	
	\$1,000,000	\$0	NGF

Language:

Page 398, line 11, strike "\$5,000,000" and insert "\$6,000,000".

Education: Higher Education			Item C-41.1 #1s
Mary Washington College	FY 04-05	FY 05-06	
	\$1,500,000	\$0	NGF

Language:

Page 398, following line 15, insert:

"C-41.1. Improvements: Dodd Hall Auditorium Renovation \$1,500,000
Fund Sources: Bond Proceeds \$1,500,000".

Education: Higher Education			Item C-41.1 #3s
Mary Washington College	FY 04-05	FY 05-06	
	\$1,100,000	\$0	NGF

Language:

Page 398, following line 15, insert:

"C-41.1. Acquisition: Property Acquisition \$1,100,000
Fund Sources: Higher Education Operating \$1,100,000".

Education: Higher Education			Item C-41.1 #4s
Mary Washington College	FY 04-05	FY 05-06	
	\$1,500,000	\$1,500,000	NGF

Language:

Page 398, following line 15, insert:

"C-41.1. New Construction: Bell Tower \$1,500,000 \$1,500,000
Fund Sources: Higher Education Operating \$1,500,000".

Education: Higher Education			Item C-42 #1s
Norfolk State University	FY 04-05	FY 05-06	
	(\$1,469,000)	(\$1,469,000)	GF

Language:

Page 398, line 19, strike "\$1,469,000" and insert "\$0".

Page 398, line 19, strike "\$1,469,000" and insert "\$0".

Education: Higher Education			Item C-43 #1s
Norfolk State University			
			Language

Language:

Page 398, following line 22, insert:

"This project shall be funded from \$1,416,000 in 9(d) bonds and \$1,584,000 in Virginia College Building Authority bonds."

Education: Higher Education			Item C-43.1 #11s
Norfolk State University	FY 04-05	FY 05-06	
	\$0	\$3,850,000	NGF

Language:

Page 398, following line 25, insert:

“C-43.1. New Construction: Police and Public Safety Building	\$3,850,000
Fund Sources: Bond Proceeds	\$3,850,000”.

Education: Higher Education			Item C-46 #1s
Old Dominion University	FY 04-05	FY 05-06	
	(\$2,287,000)	\$0	NGF

Language:
Page 399, line 2, strike “\$6,860,000” and insert “\$4,573,000”.

Education: Higher Education			Item C-52.1 #1s
Old Dominion University	FY 04-05	FY 05-06	
	\$0	\$16,500,000	NGF

Language:
Page 399, following line 26, insert:
“C-52.1. Improvements: Health and Physical Education Building \$16,500,000
Fund Sources: Bond Proceeds \$16,500,000”.
Page 398, following line 22, insert:
“This project shall be funded from \$12,982,000 in 9(d) bonds and \$3,518,000 in Virginia College Building Authority bonds.”

Education: Higher Education			Item C-52.1 #3s
Old Dominion University	FY 04-05	FY 05-06	
	\$1,020,869	\$0	NGF

Language:
Page 399, following line 26, insert:
“C-52.1. Improvements: 43rd Street \$1,020,869
Fund Sources: Higher Education Operating \$1,020,869”.

Education: Higher Education			Item C-52.1 #4s
Old Dominion University			
			Language

Language:
Page 399, following line 26, insert:
“C-52.1. New Construction: Recreational Facilities and Infrastructure
The General Assembly authorizes Old Dominion University to enter into a written agreement with the City of Norfolk for the development of recreational facilities, off-street parking, and associated infrastructure adjacent to the University where the City plans to develop a public golf course and a stadium for the joint usage for several public high schools as well as the University. The University is authorized to convey parcels of land to the City of Norfolk and/or the Norfolk Redevelopment & Housing Authority for the purpose of constructing these recreational facilities, including necessary off-street parking, street improvements, and associated infrastructure consistent with the City's and University's master plans. In addition, the University is further authorized to convey to the City and/or Norfolk Redevelopment & Housing Authority residual parcels of land south of 43rd Street for the purpose of constructing market rate housing. Any and all such conveyances shall be upon terms satisfactory to the University.”

Education: Higher Education			Item C-55.1 #1s
Radford University	FY 04-05	FY 05-06	
	\$670,000	\$0	NGF

Language:

Page 398, following line 25, insert:

“C-55.1. Planning: Heth Hall renovation

\$670,000

Fund Sources: Higher Education Operating

\$670,000”.

Education: Higher Education

Item C-58 #1s

University Of Virginia

Language

Language:

Page 400, after line 12, insert:

“Notwithstanding any other provision of law, the University is hereby authorized to enter into a contract to upgrade the main heating plant for environmental compliance. It is anticipated that sufficient appropriation will be provided in future fiscal years to cover all phases of the project as specified in the final contract.”

Education: Higher Education

Item C-67 #1s

University Of Virginia

Language

Language:

Page 400, strike lines 37 to 39.

Page 401, strike lines 1 to 6.

Education: Higher Education

Item C-67.1 #1s

University Of Virginia

FY 04-05

FY 05-06

\$3,500,000

\$0

NGF

Language:

Page 399, following line 26, insert:

“C-67.1. New Construction: Campbell Hall Addition

\$3,500,000

Fund Sources: Higher Education Operating

\$3,500,000”.

Education: Higher Education

Item C-82 #2s

Virginia Commonwealth University

FY 04-05

FY 05-06

\$3,000,000

\$0

NGF

Language:

Education: Higher Education

Item C-67.1 #3s

University Of Virginia

FY 04-05

FY 05-06

\$2,200,000

\$0

NGF

Language:

Page 401, following line 6, insert:

“C-67.1. Improvements: Varsity Hall Renovation

\$2,200,000

Fund Sources: Higher Education Operating

\$2,200,000”.

Education: Higher Education

Item C-67.1 #4s

University Of Virginia

FY 04-05

FY 05-06

\$15,000,000

\$0

NGF

Language:

Page 401, following line 6, insert:

“C-67.1. Acquisition: Advanced Research Technology Facility \$15,000,000
Fund Sources: Bond Proceeds \$15,000,000”.

Education: Higher Education			Item C-67.1 #5s
University Of Virginia	FY 04-05	FY 05-06	
	\$24,000,000	\$0	NGF

Language:

Page 399, following line 26, insert:

“C-67.1. New Construction: Expand University Hospital \$24,000,000
Fund Sources: Bond Proceeds \$24,000,000”.

Education: Higher Education			Item C-74 #1s
University Of Virginia's College At Wise			
			Language

Language:

Page 401, following line 36, insert:

“This project shall be funded from \$799,000 in 9(d) bonds.”

Education: Higher Education			Item C-80.1 #1s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$5,000,000	\$0	NGF

Language:

Page 401, following line 6, insert:

“C-80.1. Improvements: Hunton Hall Renovation \$5,000,000
Fund Sources: Bond Proceeds \$5,000,000”.

Education: Higher Education			Item C-80.1 #3s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$2,000,000	\$0	NGF

Language:

Page 402, following line 23, insert:

“C-80.1. Planning: New School of Business \$2,000,000
Fund Sources: Higher Education Operating \$1,000,000
\$1,000,000”.

Education: Higher Education			Item C-80.1 #4s
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$0	\$14,000,000	NGF

Language:

Page 401, following line 6, insert:

“C-80.1. New Construction: Monroe Campus Parking Deck \$14,000,000
Fund Sources: Bond Proceeds \$14,000,000”.

Education: Higher Education			Item C-84 #1s
Virginia Commonwealth University			
			Language

Language:

Page 402, following line 33, insert:
 "This project shall be funded from \$2,500,000 in 9(d) bonds."

Education: Higher Education			Item C-98 #1s
Virginia Community College System	FY 04-05	FY 05-06	
	(\$683,000)	\$0	NGF

Language:

Page 404, line 25, strike "\$725,000" and insert "\$42,000".

Education: Higher Education			Item C-108.10 #1s
Virginia Community College System	FY 04-05	FY 05-06	
	\$1,834,000	\$0	NGF

Language:

Page 405, following line 33, insert:
 "C-108.10. New Construction: Construct Science Building Addition,
 Blue Ridge Community College \$1,834,000
 Fund Sources: Bond Proceeds \$1,834,000".

Education: Higher Education			Item C-108.10 #2s
Virginia Community College System	FY 04-05	FY 05-06	
	\$0	\$4,160,000	NGF

Language:

Page 405, following line 33, insert:
 "C-108.10. New Construction: Blackwater Building, Tidewater Community
 College \$4,160,000
 Fund Sources: Bond Proceeds \$4,160,000".

Education: Higher Education			Item C-108.1 #3s
Virginia Community College System	FY 04-05	FY 05-06	
	\$0	\$9,149,475	NGF

Language:

Page 405, following line 33, insert:
 "C-108.1. Improvements: Major Building Systems Repair and Replacement \$9,149,475
 Fund Sources: Bond Proceeds \$9,149,475".

Education: Higher Education			Item C-108.10 #3s
Virginia Community College System	FY 04-05	FY 05-06	
	\$1,465,290	\$0	NGF

Language:

Page 405, following line 33, insert:
 "C-108.10. Improvements: Renovate the Top Floor of Galax Hall, Wytheville
 Community College \$1,465,290
 Fund Sources: Bond Proceeds \$1,465,290".

Education: Higher Education			Item C-108.1 #3s
Virginia Community College System	FY 04-05	FY 05-06	
	\$400,000	\$0	NGF

Language:

Page 405, line 34, insert:

“C-108.1. Improvements: Bookstore, Blue Ridge Community College \$400,000
Fund Sources: Higher Education Operating \$400,000”.

Education: Higher Education

Virginia Military Institute	FY 04-05	FY 05-06	Item C-119.10 #1s
	\$1,590,000	\$0	GF

Language:

Page 408, following line 30, insert:

“C-119.10. Planning: Renovation of Kilborne Hall \$1,590,000
Fund Sources: General \$1,590,000”.

Education: Higher Education

Virginia Polytechnic Institute And State University	FY 04-05	FY 05-06	Item C-122.10 #1s
	\$2,750,000	\$0	GF

Language:

Page 408, following line 30, insert:

“C-122.10. Planning: Renovation of Campus Heating Plant \$2,750,000
Fund Sources: General \$2,750,000”.

Education: Higher Education

Virginia State University	FY 04-05	FY 05-06	Item C-124 #1s
	(\$1,202,000)	(\$1,202,000)	GF

Language:

Page 409, line 14, strike “\$1,202,000”and insert “\$0”.

Page 409, line 14, strike “\$1,202,000” and insert “\$0”.

Education: Higher Education

Virginia State University			Item C-125 #1s
			Language

Language:

Page 409, following line 21, insert:

“This project shall be funded from \$429,000 of non-general funds.”

Education: Other

Frontier Culture Museum Of Virginia	FY 04-05	FY 05-06	Item C-125.1 #1s
	\$0	\$375,000	NGF

Language:

Page 409, following line 24, insert:

“C-125.1. New Construction: Site Improvements Wetlands Mill and Bowman House Sites \$375,000
Fund Sources: Bond Proceeds \$375,000”.

Education: Other

Jamestown-Yorktown Foundation			Item C-126 #1s
			Language

Language:

Page 409, following line 18, insert:

“This project shall be funded from \$265,000 in nongeneral fund cash.”

Education: Other			Item C-133.10 #1s
The Science Museum Of Virginia	FY 04-05	FY 05-06	
	\$0	\$500,000	NGF

Language:

Page 410, following line 22, insert:

“C-133.10. Improvements: Replace Exhibits \$500,000

Fund Sources: Bond Proceeds \$500,000”.

Education: Other			Item C-135.10 #1s
Virginia Museum Of Fine Arts	FY 04-05	FY 05-06	
	\$1,792,000	\$0	NGF

Language:

Page 410, following line 22, insert:

“C-135.10. Improvements: Upgrade Security System \$1,792,000

Fund Sources: Bond Proceeds \$1,792,000”.

Health And Human Resources			Item C-137 #1s
Department Of Mental Health, Mental	FY 04-05	FY 05-06	
Retardation And Substance Abuse	\$3,000,000	\$0	GF
Services	(\$9,500,000)	(\$22,300,000)	NGF

Language:

Page 411, line 11, strike “\$9,500,000” and insert “\$3,000,000”.

Page 411, line 11, strike “\$22,300,000” and insert “\$0”.

Natural Resources			Item C-154.10 #1s
Virginia Museum Of Natural History	FY 04-05	FY 05-06	
	\$0	\$2,000,000	NGF

Language:

Page 410, following line 22, insert:

“C-154.10. Acquisition: Exhibits for the New Museum Building \$2,000,000

Fund Sources: Bond Proceeds \$2,000,000”.

The funds appropriated in this item shall be matched by an equal amount of non-general funds raised locally.”

Public Safety			Item C-161 #1s
Department Of Corrections, Central	FY 04-05	FY 05-06	
Activities	\$6,261,000	\$0	NGF

Language:

Page 415, line 2, strike “\$62,384,000” and insert “\$68,645,000”.

Page 415, line 1, strike “prison” and insert “Correctional Facility in Tazewell County”.

Public Safety			Item C-161.1 #1s
Department Of Corrections, Central	FY 04-05	FY 05-06	
Activities	\$73,553,000	\$0	NGF

Language:

Page 415, following line 3, insert:

“C-161.1. New Construction: Construct Medium Security Correctional

Facility in Pittsylvania County

\$73,553,000

Fund Sources: Bond Proceeds

\$73,553,000”.

Transportation

Item C-184 #1s

Department Of Transportation

Language

Language:

Page 418, line 42, after “30”, delete the rest of the line.

Page 418, strike lines 43 through 45 and insert “site.”.

Central Appropriations

Item C-194 #1s

Central Capital Outlay

FY 04-05

FY 05-06

(\$20,000,000)

(\$20,000,000)

GF

Language:

Page 420, line 6, strike “\$25,000,000” and insert “\$5,000,000”.

Page 420, line 6, strike “\$25,000,000” and insert “\$5,000,000”.

2004-2006 Appropriations

Agency Code	Agency Name	Project Code	FY 2005	FY 2006
123	Department of Military Affairs	10893	\$36,634	\$36,634
127	Department of Emergency Management	15989	\$4,517	\$4,517
140	Department of Criminal Justice Services	16320	\$4,517	\$4,517
146	The Science Museum of Virginia	13634	\$58,269	\$58,269
156	Department of State Police	10886	\$13,414	\$13,414
161	Department of Taxation	15994	\$11,919	\$11,919
194	Department of General Services	14260	\$177,325	\$177,325
199	Department of Conservation And Recreation	16646	\$42,844	\$42,844
203	Woodrow Wilson Rehabilitation Center	10885	\$75,493	\$75,493
204	The College of William And Mary In Virginia	12713	\$178,553	\$178,553
207	University of Virginia	12704	\$565,994	\$565,994
208	Virginia Polytechnic Institute and State University	12707	\$584,393	\$584,393
211	Virginia Military Institute	12732	\$97,114	\$97,114
212	Virginia State University	12733	\$217,195	\$217,195
213	Norfolk State University	12724	\$265,440	\$265,440
214	Longwood University	12722	\$105,587	\$105,587

215	Mary Washington College	12723	\$43,727	\$43,727
216	James Madison University	12718	\$168,091	\$168,091
217	Radford University	12731	\$71,450	\$71,450
221	Old Dominion University	12710	\$115,379	\$115,379
236	Virginia Commonwealth University	12708	\$366,949	\$366,949
238	Virginia Museum of Fine Arts	13633	\$55,304	\$55,304
239	Frontier Culture Museum of Virginia	15045	\$7,003	\$7,003
241	Richard Bland College	12716	\$4,517	\$4,517
242	Christopher Newport University	12719	\$32,066	\$32,066
246	University of Virginia's College at Wise	12706	\$22,841	\$22,841
247	George Mason University	12712	\$203,653	\$203,653
260	Virginia Community College System	12611	\$423,256	\$423,256
268	Virginia Institute of Marine Science	12331	\$29,545	\$29,545
301	Department of Agriculture and Consumer Services	12253	\$12,221	\$12,221
402	Marine Resources Commission	16498	\$4,517	\$4,517
409	Department of Mines, Minerals and Energy	13096	\$4,517	\$4,517
411	Department of Forestry	13986	\$10,950	\$10,950
417	Gunston Hall	12382	\$4,977	\$4,977
425	Jamestown-Yorktown Foundation	13605	\$46,053	\$46,053
702	Department for the Blind and Vision Impaired	13942	\$16,959	\$16,959
720	Department of Mental Health, Mental Retardation and Substance Abuse Services	10880	\$466,390	\$466,390
777	Department of Juvenile Justice	15081	\$137,206	\$137,206
799	Department of Corrections	10887	\$304,187	\$304,187
942	Virginia Museum of Natural History	14439	\$4,517	\$4,517
948	Southwest Virginia Higher Education Center	16499	\$4,517	\$4,517
		Total	\$5,000,000	\$5,000,000

Central Appropriations

Central Capital Outlay

	FY 04-05	FY 05-06	Item C-194.20 #1s
	\$30,171,000	\$22,671,000	GF
	\$19,829,000	\$52,329,000	NGF

Language:

Page 421, following line 36, insert

“C-194.20. Improvements: Capital Repairs and Improvements	\$50,000,000	\$75,000,000
Fund Sources: General	\$30,171,000	\$22,671,000
Bond Proceeds	\$19,829,000”.	\$52,329,000”.

A.1. A total of \$50,000,000 for FY 2005 and \$75,000,000 for FY 2006 from a combination of general funds and Virginia Public Building Authority bonds is provided to state agencies and institutions for Capital Repairs and Improvements subprojects.

The Director of the Department of Planning and Budget is hereby directed to transfer to agencies and institutions the following sums:

2004-2006 Appropriations

Agency Code	Agency Name	Project Code	FY 2005
123	Department of Military Affairs	10893	\$366,340
127	Department of Emergency Management	15989	\$45,174
140	Department of Criminal Justice Services	16320	\$45,174
146	The Science Museum of Virginia	13634	\$582,689
156	Department of State Police	10886	\$134,140
161	Department of Taxation	15994	\$119,190
194	Department of General Services	14260	\$1,773,254
199	Department of Conservation And Recreation	16646	\$428,436
203	Woodrow Wilson Rehabilitation Center	10885	\$754,933
204	The College of William And Mary In Virginia	12713	\$1,785,534
207	University of Virginia	12704	\$5,659,936
208	Virginia Polytechnic Institute and State University	12707	\$5,843,930
211	Virginia Military Institute	12732	\$971,143
212	Virginia State University	12733	\$2,171,949
213	Norfolk State University	12724	\$2,654,404
214	Longwood University	12722	\$1,055,871
215	Mary Washington College	12723	\$437,268
216	James Madison University	12718	\$1,680,906
217	Radford University	12731	\$714,495
221	Old Dominion University	12710	\$1,153,786
236	Virginia Commonwealth University	12708	\$3,669,490
238	Virginia Museum of Fine Arts	13633	\$553,036
239	Frontier Culture Museum of Virginia	15045	\$70,030
241	Richard Bland College	12716	\$45,174
242	Christopher Newport University	12719	\$320,662
246	University of Virginia's College at Wise	12706	\$228,409
247	George Mason University	12712	\$2,036,533
260	Virginia Community College System	12611	\$4,232,561
268	Virginia Institute of Marine Science	12331	\$295,446

301	Department of Agriculture and Consumer Services	12253	\$122,206
402	Marine Resources Commission	16498	\$45,174
409	Department of Mines, Minerals and Energy	13096	\$45,174
411	Department of Forestry	13986	\$109,499
417	Gunston Hall	12382	\$49,765
425	Jamestown-Yorktown Foundation	13605	\$460,525
702	Department for the Blind and Vision Impaired	13942	\$169,591
720	Department of Mental Health, Mental Retardation and Substance Abuse Services	10880	\$4,663,899
777	Department of Juvenile Justice	15081	\$1,372,057
799	Department of Corrections	10887	\$3,041,871
942	Virginia Museum of Natural History	14439	\$45,174
948	Southwest Virginia Higher Education Center	16499	\$45,174
	Total		\$50,000,000

2. The distribution of funds for the purposes of this item for FY 2006 shall be based on the findings and recommendations of the audit of deferred maintenance required by Item 2 of this act.

B. Agencies and institutions of higher education may use capital repair and improvement funds in the first year to plan subprojects to be funded from allocations in the second year. Any agency or institution of higher education which has not expended or contractually obligated itself in a legally binding manner to expend its biennial appropriation for capital repair and improvement funds by June 30, 2006, shall revert the unobligated balance to the fund. Such balances shall be reallocated for the next fiscal year. For good cause, the Director of the Department of Planning and Budget may grant exceptions to this requirement.

C. Agencies and institutions of higher education may use capital repair and improvement funds to address major physical plant deficiencies such as: 1) roof repair and replacement, 2) heating and cooling system repair and replacement, 3) major electrical system repair and replacement, or 4) such other deficiencies as the Director, Department of Planning and Budget may approve, provided however that all projects undertaken shall have an estimated useful life of not less than fifteen years.”

Central Appropriations			Item C-194.20 #2s
Central Capital Outlay	FY 04-05	FY 05-06	
	\$300,000	\$0	GF

Language:

Page 421, following line 36, insert:

“C-194.20. Improvements: Capital Repairs and Improvements \$300,000

Fund Sources: General \$300,000”.

“Out of the amounts for Maintenance Reserve shall be paid \$300,000 the first year for the costs of an audit of the Commonwealth’s deferred maintenance needs.

The Auditor of Public Accounts shall perform an audit to determine the amount of deferred maintenance costs in the Commonwealth. The Auditor shall conduct the audit in phases with a preliminary report of the audit scope to be presented to the Chairmen of the Senate Finance and House Appropriation Committees in May of 2004, an interim progress report to the General Assembly by December of 2004, and the final report by December 2005. The first phase of the audit

shall give consideration to including not only large agencies and institutions with facilities, but agencies and institutions that have public safety and health facilities.

To assist the Auditor of Public Accounts, the following agencies and institutions shall designate and assign at least one individual from each entity to assist in the audit: Department of General Services, the Department of Corrections, the Virginia Community College System, George Mason University, Department of Transportation and the State Council of Higher Education for Virginia. These individuals should have sufficient experience and knowledge to assist the Auditor of Public Accounts in developing procedures for collecting information and assisting agency and institutional personnel with advice and guidance in implementing, collecting and summarizing information for this audit. These individuals will work with agencies and institutions to ensure that they are properly accumulating information.

The Auditor of Public Accounts will oversee the collection, analysis, and prioritization of the data needed to audit deferred maintenance costs. All state agencies and institutions will work with and assist the Auditor of Public Accounts to collect this data in relation to their agency.

As part of this audit, the Auditor of Public Accounts shall establish procedures and acquire software to develop and implement a Capital Outlay Deferred Maintenance System throughout all state agencies and institutions to gather information on the maintenance needs of all Commonwealth owned buildings. In addition to acquiring the software, the Auditor of Public Accounts will acquire the necessary training for the state agencies and institutions.”

Central Appropriations

Item C-194.1 #2s

Central Capital Outlay

Language

Language:

Page 421, following line 36, insert

“C-194.1. Improvements: Capital Repairs and Improvements

Fund Sources:

“A. All tax-supported debt issued by the Treasury Board, the Virginia Public Building Board and the Virginia College Building Board under the provisions of Virginia's Constitution, Article 10 Sections 9(b) and 9(d) after July, 2004 shall require the creation of a Capital Repairs and Improvements Revolving Fund, and require payment into the Fund in accordance with the following provisions.

B.1. Except as provided in subparagraph B.3. of this item, the Commonwealth shall annually pay into the Capital Repairs and Improvements Revolving Fund an amount equal to two percent of the accumulated balance of all new outstanding debt issued after July 1, 2004. This deposit shall not exceed \$30 million annually. For purposes of this computation, the Commonwealth shall include all tax-supported debt issued by the Treasury Board, the Virginia Public Building Board and the Virginia College Building Board under the provisions of Virginia's Constitution, Article 10 Sections 9(b), and 9(d).

2. Funds for this deposit shall not be derived either directly or indirectly from debt, but shall be made from revenues available for appropriation.

3. No deposits to the Capital Repairs and Improvements Revolving Fund shall be required in any fiscal year in which the General Assembly of Virginia appropriates funds from the Revenue Stabilization Fund authorized by Article 10 Sections 8 of the Constitution of Virginia.

C. By November 1 each year, the Auditor of Public Accounts shall compute the maximum balance of the fund, and the Governor shall adjust the payment into the fund in the budget prepared in accordance with Section 2.2-1508 of the *Code of Virginia*. The maximum balance of the fund shall not exceed 2.25 percent of value of the Commonwealth's capital assets excluding land and infrastructure before accumulated depreciation and the total capital assets of state supported institutions of higher education excluding land and assets not funded by the debt described above before accumulated depreciation as reported by the State Comptroller in his annual Comprehensive

Financial Report. The maximum balance of the fund shall include both the cash and investment balances in the fund and the net realizable value of any other assets.

D. The Auditor of Public Accounts shall, as part of his computation in C. above, certify that:

- 1. None of the projects financed by the Capital Repairs and Improvements Revolving Fund represented new construction or expansion of any existing capital asset, and
- 2. All complied with the Authority's policies and regulations for such projects.

E. The Authority shall maintain the Capital Repairs and Improvements Revolving Fund and receive payments into the Fund as previously described. The Authority shall adopt policies and regulations for the Capital Repairs and Improvements Revolving Fund for purposes of setting the following:

- 1. Definition and criteria for projects qualifying for loans and
- 2. Procedures for making and repaying fund loans.

These policies and regulations shall be based on recommendations from a committee comprised of the Secretary of Finance, State Treasurer, Director of the Department of General Services, the Auditor of Public Accounts, a staff representative of the State Council of Higher Education, a representative of the State Council of Higher Education's Finance Advisory Committee and staff representatives of the Senate Finance and House Appropriation Committees as designated by their respective Chairmen. The Capital Repairs and Improvements Revolving Fund may receive other appropriations made directly to it by the General Assembly.”

Central Appropriations			Item C-195 #1s
Central Capital Outlay	FY 04-05	FY 05-06	
	(\$7,500,000)	\$0	GF

Language:

Page 421, line 38, strike “\$7,500,000” and insert “\$0”.

Transfers		Item 3-1.01 #1s
Interfund Transfers		
		Language

Language:

Page 437, strike lines 23 through 26.

Transfers		Item 3-1.01 #1s
Interfund Transfers		
		Language

Language:

Page 438, after line 28, insert:

“FF. The Department of Alcoholic Beverage Control shall sell the building in which the Alexandria Regional Office is currently located. Notwithstanding the provisions of § 2.2-1156, Code of Virginia, all the proceeds from the sale of such property, estimated to be \$3,000,000, shall be deposited into the general fund.”

Transfers		Item 3-1.01 #3s
Interfund Transfers		
		Language

Language:

Page 432, line 20, strike "Winegrowers Advisory" and insert "Wine".

Transfers Item 3-1.01 #4s
Interfund Transfers Language

Language:

Page 438, after line 28, insert:

"FF. On or before June 30, the State Comptroller shall transfer from the State Racing Operations Fund \$90,000 the first year and \$240,000 the second year to the general fund."

Transfers Item 3-1.01 #5s
Interfund Transfers Language

Language:

Page 434, line 3, strike "0477" and insert "0410".

Transfers Item 3-1.01 #6s
Interfund Transfers Language

Language:

Page 438, after line 28, insert:

"FF. Pursuant to the "Virginia Investment Act" (SB 635, 2004 Session), the Comptroller shall transfer \$30,000,000 annually from the general fund to the Virginia Natural and Historic Resources Fund. For fiscal year 2005 only, notwithstanding the transfer schedule in §58.1-638.F., the Comptroller shall transfer from the general fund to the Virginia Natural and Historic Resources Fund, \$10,000,000 on or before July 31, 2004, and an additional \$5,000,000 on or before December 31, 2004, and an additional \$15,000,000 on or before June 30, 2005. For fiscal year 2006, the Comptroller shall transfer from the general fund to the Virginia Natural and Historic Resources Fund, \$15,000,000 on or before December 31, 2005 and an additional \$15,000,000 on or before June 30, 2006."

Transfers Item 3-1.01 #7s
Interfund Transfers Language

Language:

Page 435, line 28, after "indicated.", strike the remainder of the line.

Page 435, strike lines 29 through 31.

Page 436, strike lines 21 through 61.

Page 437, strike lines 1 through 6.

Adjustments and Modifications to Fees Item 3-6.01 #3s
Recordation Tax Fee Language

Language:

Page 440, line 43, after "Virginia." strike the rest of the line.

Page 440, strike lines 44-45.

Page 441, line 1, after "shall consist of ", insert:

“funds pursuant to Senate Bill 635 (2004 Session), other”

Adjustments and Modifications to Fees
Motor Vehicle Fees

Item 3-6.02 #1s

Language

Language:

Page 441, strike lines 11 through 13.

Item 3-7.01 #1s

Withholding General Fund Revenues for Revenue Stabilization

Language

Language:

Page 441, after line 13, insert:

“After satisfying all other claims against the certified general fund revenue surplus required by law, the State Comptroller shall reserve 25 percent of the remaining portion of the general fund revenue surplus. This reserve shall be held available for appropriation by the General Assembly for deposit into the Revenue Stabilization Fund or for other uses.”

Revenues

Item 4-2.01 #2s

Nongeneral Fund Revenues

Language

Language:

Page 448, strike lines 38 through 49.

Page 449, strike lines 1 through 42.

Page 449, line 42, insert:

“1. All nongeneral fund collections by public institutions of higher education, including collections from the sale of dairy and farm products, shall be deposited in the state treasury in accordance with § 2.2-1802, Code of Virginia, and expended by the institutions of higher education in accordance with the appropriations and provisions of this act, provided, however, that this requirement shall not apply to private gifts, endowment funds, or income derived from endowments and gifts.

2.a) Financial support provided to the Commonwealth's institutions of higher education is predicated primarily upon the fulfillment by such institutions of their mission to provide educational opportunities to the citizens of the Commonwealth. The presence of students from outside the Commonwealth contributes materially to that mission and the appropriate proportion of such nonresident students will vary among the institutions according to their respective missions. Each institution and the State Council of Higher Education for Virginia shall monitor tuition, fees, and other charges, as well as the mix of resident and nonresident students, to ensure that the primary mission of providing educational opportunities to citizens of Virginia is served. The State Council of Higher Education shall report to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than August 1 of each year on the annual change in total charges for tuition and all required fees approved and allotted by the Board of Visitors in support of the institutions' educational and general programs. As it deems appropriate, the State Council of Higher Education for Virginia shall provide comparative national, peer, and market data with respect to charges assessed students for tuition and required fees at institutions outside of the Commonwealth. Further, in coordination with the institutions, the State Council of Higher Education for Virginia shall report no later than August 1 of each year on the estimated amount of revenue each institution expects to collect from tuition and mandatory educational and general fees during the fiscal year.

b) The State Council of Higher Education for Virginia shall also develop and enforce uniform guidelines for reporting student enrollments and the domiciliary status of students.

3. The Board of Visitors or other governing body of each public institution of higher education shall set tuition, fees, and other student charges within the limits of the nongeneral fund appropriation provided for each institution's educational and general programs within this act.

4.a) In setting the general and nongeneral fund appropriations for educational and general programs at each institution, it is the intent of the General Assembly, over a period of up to six years, to provide full funding of the base adequacy guidelines adopted, and periodically amended, by the Joint Subcommittee Studying Higher Education Funding Policies; to begin raising average salaries for teaching and research faculty to the 60th percentile of peer institutions nationally; and to recognize the student share of cost for other priorities set forth in this act.

b) Further, it is the intent of the General Assembly that the Commonwealth support at least 67 percent of the cost of education for all resident students attending a public college or university in the Commonwealth and that tuition and mandatory educational and general fee rates for nonresident undergraduate and graduate students shall be at least 100 percent of the average cost of their education, as calculated by the Joint Subcommittee's funding guidelines.

c) For institutions charging nonresident students less than 100 percent of the cost of education as identified by the funding guidelines referenced in subparagraph a), the State Council of Higher Education for Virginia may authorize a phased approach to meeting this requirement, when in its judgment, it would result in annual tuition and fee increases for nonresident students that would discourage their enrollment.

d) Nonresident graduate students employed by an institution as graduate teaching or research assistants and paid at an annual contract rate of \$4,000 or more may be considered resident students for the purposes of charging tuition and fees.

e) By October 1, 2005, the State Council of Higher Education shall prepare a report on nonresident tuition waivers, including how waivers contribute to institutions' ability to attract and retain research funding and the extent to which nonresident students receiving waivers stay and work in Virginia upon graduation. The Department of Taxation and the Virginia Employment Commission shall work with the State Council of Higher Education for Virginia to provide appropriate unit record data to support these analyses.

5. In setting undergraduate tuition and fee increases, the Boards of Visitors or other governing bodies shall consider the feasibility of setting aside a portion of the tuition increase to provide additional financial aid resources, in combination with state, federal and private resources to students who demonstrate financial need.

6. The fund source "Higher Education Operating" within educational and general programs for institutions of higher education includes tuition and fee revenues from nonresident students to pay their proportionate share of the amortized cost of the construction of buildings approved by the Commonwealth of Virginia Educational Institutions Bond Act of 1992 and the Commonwealth of Virginia Educational Facilities Bond Act of 2002.

7. Institutions of higher education are hereby authorized to make the technology service fee authorized in Chapter 1042, 2003 Acts of Assembly, part of ongoing tuition revenue. Such revenues shall continue to be used to supplement technology resources at the institutions of higher education.

8.a) The governing boards of the institutions of higher education shall seek cost savings in areas supported by non-educational and general fees such that the total cost of higher education be kept as low as possible. Mandatory fees for purposes other than educational and general programs shall not be increased for Virginia undergraduates beyond five percent annually, excluding requirements for wage, salary, and fringe benefit increases, authorized by the General Assembly. Fee increases required to carry out actions that respond to mandates of federal agencies are also exempt from this provision, provided that a report on the purposes of the amount of the fee increase is submitted to the Chairmen of the House Appropriations and Senate Finance Committees by the institution of higher education at least 30 days prior to the effective date of the fee increase.

b) This restriction shall not apply in the following instances: fee increases directly related to capital projects authorized by the General Assembly; fee increases to support student health services; and other fee increases specifically authorized by the General Assembly.

c) Due to the small mandatory non-educational and general program fees currently assessed students in the Virginia Community College System, increases in any one year of no more than \$15 shall be allowed on a cost-justified case-by-case basis, subject to approval by the State Board for Community Colleges.

9.a) At the request of an institution of higher education, the Director, Department of Planning and Budget, shall administratively appropriate and allot increases in nongeneral fund revenues appropriated in this act from all sources except tuition and fees used in support of Educational and General program.

b) To the extent an institution seeks to increase tuition and fee revenue for use within the educational and general programs above the levels specified in this act, the Department of Planning and Budget may administratively appropriate and allot increases up to one percent of the appropriated amounts without review and certification by the State Council of Higher Education for Virginia.

c) For requested increases above one percent of the appropriated levels identified in this act, institutions shall seek certification from the State Council of Higher Education for Virginia prior to approval by the Director, Department of Planning and Budget.

d) The State Council of Higher Education for Virginia shall review and certify that the request for additional revenue is needed as the result of higher than anticipated enrollments, a change in the mix of student enrollments, an increase in revenue from self-supporting non-credit or for-credit education or training programs, legislatively approved programmatic funding requirements identified in this act, or appropriate technical adjustments.

e) The Director, Department of Planning and Budget, shall administratively appropriate and allot the increases certified by the State Council of Higher Education for Virginia, provided that the additional revenue is applied solely to the operating needs of the educational and general programs and that the request for additional nongeneral fund budget authority is consistent with budget items adopted in this act.

10. It is the intent of the General Assembly that any institution of higher education granting new tuition waivers to resident or nonresident students not authorized by the Code of Virginia must absorb the cost of any discretionary waivers.

11. The entitlement to resident tuition charges referenced in § 23-7.4:2 A (iii), Code of Virginia, shall be suspended through June 30, 2006.

12. Tuition and fee revenues from nonresident students taking courses through Virginia institutions from the Southern Regional Education Board's Southern Regional Electronic Campus must exceed all direct and indirect costs of providing instruction to those students. Tuition and fee rates to meet this requirement shall be established by the Board of Visitors of the institution.

13. The entitlement to resident charges, at four-year institutions, shall not extend beyond 125 percent of the credit hours needed to satisfy the degree requirements for a particular undergraduate program excluding transfer or advanced placement credits. Resident students taking in excess of 125 percent of the credit hours needed to satisfy the degree requirements for a particular program shall not be eligible to receive awards through state-sponsored financial aid programs. The State Council of Higher Education for Virginia shall establish procedures through which institutions shall implement this provision.”

Capital Projects
General

Item 4-4.01 #1s

Language

Language:

Page 458, line 23, before “Any alternative...”, insert “Prior to requesting authorization for new dormitory capital projects, institutions of higher education shall conduct a cost study to determine

whether an alternative financing arrangement or public-private transaction would provide a more effective option for the construction of the proposed facility. This study shall be submitted to the Department of Planning and Budget as part of the budget development process and shall be evaluated by the Governor prior to submitting his proposed budget.”

Capital Projects Item 4-4.01 #2s
 General

Language

Language:

Page 458, after line 24, insert:

“y. It is the intent of the General Assembly that the Department of Conservation and Recreation may be authorized to accept by gift or purchase any lands for State Park or Natural Area purposes which may become available, and that are not specifically appropriated by the General Assembly, when such acquisitions are made in accordance with the provisions of this section and other applicable provisions of state law.”

Capital Projects Item 4-4.01 #4s
 General

Language

Language:

Page 455, following line 53, insert:

“4. The Governor shall include funding of the Virginia Public Building Authority's Capital Repairs and Improvements Revolving Fund for all projects financed with the debt as set forth in this section and including debt incurred and such debt instruments shall provide for the restriction of the Fund's resources.”

Special Conditions and Restrictions on Expenditures Item 4-5.06 #1s
 Goods and Services

Language

Language:

Page 462, line 45, after “request from” insert “the Virginia Community College System or from”

Special Conditions and Restrictions on Expenditures Item 4-5.06 #2s
 Goods and Services

Language

Language:

Page 463, line 10, insert:

“g. To ensure that the Commonwealth's research universities maintain a competitive position with access to the national optical research network infrastructure including the National LambdaRail and Internet2, the NetworkVirginia Contract Administrator is hereby authorized to renegotiate the term of the existing contracts. Additionally, the contract administrator is authorized to competitively negotiate additional agreements in accordance with the Code of Virginia and all applicable regulations, as required, to establish and maintain research network infrastructure.”

Positions and Employment Item 4-6.01 #1s
 Employee Compensation

Language

Language:

Page 472, line 45, strike "\$84,128 \$84,128 \$86,652".

Page 472, line 45, insert "\$95,000 \$95,000 \$97,850".

Positions and Employment
Employee Compensation

Item 4-6.01 #1s

Language

Language:

Page 469, after line 15, insert:

"Commissioner, Department of Veterans Services \$104,891 \$104,891 \$108,038".

Page 471, line 8, strike:

"\$81,105 \$81,105 \$83,538" and insert "\$96,360 \$96,360 \$99,251".

Page 471, strike lines 43 and 44.

Positions and Employment
Employee Compensation

Item 4-6.01 #2s

Language

Language:

Page 468, line 16, after "Science Museum of Virginia," insert "The Virginia Museum of Natural History,".

Positions and Employment
Employee Compensation

Item 4-6.01 #3s

Language

Language:

Page 470, strike lines 31 and 32.

Positions and Employment
Employee Compensation

Item 4-6.01 #4s

Language

Language:

Page 470, strike lines 45 and 46.

Positions and Employment
Employee Compensation

Item 4-6.01 #5s

Language

Language:

Page 468, after line 15, insert:

"Chief Information Officer, Virginia
Information Technologies Agency \$151,103 \$151,103 \$155,636".

Positions and Employment
Employee Compensation

Item 4-6.01 #6s

Language

Language:

Page 468, line 42, strike "\$132,925 \$132,925 \$136,913".

Page 468, line 42, insert "\$151,103 \$151,103 \$156,603".

Part 5

Item 5-0 #1s

Language

Language:

Page 480, strike lines 1 through

Page 501, line 23 and insert:

PART 5: ENACTMENT NUMBERS 2 THROUGH 6

2. That §§ 58.1-1001, 58.1-1009, and 58.1-1018 of the Code of Virginia are amended and reenacted, that the Code of Virginia is amended by adding in Title 32.1 a chapter numbered 15, consisting of sections numbered 32.1-366 and 32.1-367, and that the Code of Virginia is amended by adding in Chapter 10 of Title 58.1 an article numbered 2.1, consisting of sections numbered 58.1-1021.01 through 58.1-1021.05, as follows:

CHAPTER 15.

VIRGINIA HEALTH CARE FUND.

§ 32.1-366. *Virginia Health Care Fund Established.*

A. *There is hereby created in the state treasury a special nonreverting fund to be known as the Virginia Health Care Fund, hereafter referred to as the "Fund." The Fund shall be established on the books of the Comptroller and any moneys remaining in the Fund at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. For purposes of the Comptroller's preliminary and final annual reports required by § 2.2-813, however, all deposits to and disbursements from the Fund shall be accounted for as part of the general fund of the state treasury.*

B. *All revenue received by the Commonwealth pursuant to the provisions of §§ 58.1-1001 and 58.1-1018 and Article 2.1 (§ 58.1-1021.01 et seq.) of Chapter 10 of Title 58.1 shall be paid into the state treasury and deposited to the Fund. The Comptroller shall also deposit 40 percent of the Commonwealth's allocation pursuant to the Master Settlement Agreement with tobacco product manufacturers, as defined in § 3.1-1106, to the Fund. The Fund shall also consist of all recoveries received during a fiscal year resulting from expenditures incurred in the Medicaid program during a prior fiscal year or years to the extent that such amounts represent recoveries of state funds that would otherwise be deposited to the general fund of the state treasury.*

§ 32.1-367. *Uses of Virginia Health Care Fund.*

Moneys deposited to the Fund shall be used solely for the provision of health care services. Health care services include, but are not limited to, Medicaid payments, disease diagnosis, prevention and control, and community health services. Disbursements from the Fund shall be made in accordance with appropriations made by law.

§ 58.1-1001. Tax levied; rate.

In addition to all other taxes now imposed by law, every person within this Commonwealth who sells, stores or receives cigarettes made of tobacco or any substitute thereof, for the purpose of distribution to any person within this Commonwealth, shall pay to this Commonwealth an excise tax of one and one-quarter mills on each such cigarette *sold, stored or received before July 1, 2004; an excise tax of one cent on each such cigarette sold, stored or received on or after July 1, 2004, through midnight on June 30, 2005; and an excise tax of 1.75 cents on each such cigarette sold, stored or received on or after July 1, 2005.*

The revenues generated by the tax imposed under this section on and after July 1, 2004, shall be collected by the Department and deposited into the Virginia Health Care Fund established under § 32.1-366.

§ 58.1-1009. Preparation, design and sale of stamps; unlawful sale or purchase of stamps a felony; penalty.

A. The Department is hereby authorized and directed to have prepared and to sell stamps suitable for denoting the tax on all cigarettes. The Department shall design, adopt and promulgate the form and kind of stamps to be used. Stamps so adopted and promulgated shall be known as and termed "Virginia revenue stamps," and in any information or indictment, it shall be sufficient to describe the stamps as "Virginia revenue stamps."

Any person other than the Department who sells such revenue stamps, not affixed to cigarettes sold and delivered by them, whether the said stamps be genuine or counterfeit, shall be guilty of a Class 6 felony. Any person who purchases revenue stamps from anyone other than the Department, unless such stamps are already affixed to cigarettes being purchased by and delivered to him, or who uses or affixes, or causes to be used or affixed, any revenue stamps not purchased from the Department by the owner of the cigarettes being handled or stamped, whether such stamps are genuine or counterfeit, shall be guilty of a Class 6 felony. When wholesalers have qualified as such with the Department, as provided in § 58.1-1011, and purchase stamps as prescribed herein for use on taxable cigarettes sold and delivered by them, the Department shall allow on such sales of revenue stamps a discount of two and one-half cents per carton. ~~In addition to any other penalties provided by law, the Department may revoke the permit issued, in accordance with § 58.1-1011, to any person who violates this section.~~

As used herein "carton" shall mean ten packs of cigarettes, each containing twenty cigarettes. All stamps prescribed by the Department shall be designed and furnished in such a fashion as to permit identification of the wholesale dealer or retail dealer that affixed the stamp to the particular package of cigarettes, by means of a serial number or other mark on the stamp. The Department shall maintain for not less than three years information identifying which wholesale dealer or retail dealer affixed the revenue stamp to each package of cigarettes.

B. 1. The Department shall provide Virginia revenue stamps to certain wholesale dealers holding a current permit issued pursuant to § 58.1-1011 prior to collecting the tax imposed under this chapter from such wholesale dealer. Such wholesale dealers shall be allowed to obtain the stamps from the Department without concurrent payment of the tax only if the conditions of this subsection are satisfied.

In order to obtain Virginia revenue stamps without concurrent payment of the tax imposed under this chapter, a wholesale dealer shall (i) file a bond with a corporate surety licensed to do business in Virginia, or (ii) file an irrevocable letter of credit satisfactory to the Tax Commissioner as to the bank or savings institution, the form and substance, and payable to the Commonwealth in the face amount of approximately two times the anticipated average monthly amount in purchases of Virginia revenue stamps by the wholesale dealer as determined by the Commissioner. The letter of credit shall be from a bank incorporated or authorized to conduct banking business under the laws of the Commonwealth or authorized to do business in the Commonwealth under the banking laws of the United States, or a federally insured savings institution located in the Commonwealth. Such bond or irrevocable letter of credit shall be conditioned upon payment of the tax imposed by this chapter relating to Virginia revenue stamps obtained by the wholesale dealer from the Department (without concurrent payment of the tax) for which such tax, net of any applicable discount described in subsection A, shall be paid within the 30 days immediately following the date that the related revenue stamp or stamps were provided by the Department to such wholesale dealer. Any such bond shall be so written that, on timely payment of the premium thereon, it shall continue in force from year to year unless sooner terminated.

2. Any surety on a bond filed by any wholesale dealer shall be released and discharged from any and all liability to the Commonwealth accruing on such bond after the expiration of 60 days from the date upon which such surety shall have lodged with the Commissioner written request to be released and discharged. But such request shall not operate to relieve, release or discharge such surety from any liability already accrued or which shall accrue before the expiration of such 60-day period. The Commissioner shall, promptly on receipt of such notice, notify the wholesale dealer who furnished such bond. Unless such dealer on or before the expiration of such 60 days' notice files with the Commissioner a new bond or letter of credit that meets all the conditions described in subdivision 1, the Commissioner shall forthwith require the wholesale dealer to pay the tax imposed under this chapter concurrent with obtaining revenue stamps from the Department.

In the event that liability upon the bond or letter of credit filed by the wholesale dealer with the Commissioner shall be discharged or reduced, whether by judgment rendered, payment made or otherwise, or if in the opinion of the Commissioner any surety on the bond becomes unsatisfactory or unacceptable, then the Commissioner may require the filing of a new bond or letter of credit. Unless such new bond or letter of credit meets all the conditions described in subdivision 1, the Commissioner shall forthwith require the wholesale dealer to pay the tax imposed under this chapter concurrent with obtaining revenue stamps from the Department.

3. Notwithstanding any other provision in this subsection, the Tax Commissioner, for good cause, shall require a wholesale dealer to pay the tax imposed under this chapter concurrent with obtaining revenue stamps from the Department, regardless of whether or not such dealer has filed or agreed to file the bond or letter of credit described in this subsection.

C. In addition to any other penalties provided by law, the Department may revoke the permit issued, in accordance with § 58.1-1011, to any person who violates any provision of this section.

§ 58.1-1018. Tax imposed on storage, use or consumption of cigarettes; exemption of products on which sales tax has been paid.

An excise tax is hereby imposed on the storage, use or other consumption in this Commonwealth of cigarettes purchased at retail in an amount equal to that set out in § 58.1-1001. Every person storing, using or otherwise consuming in this Commonwealth cigarettes purchased at retail shall be liable for the tax imposed by this article, and the liability shall not be extinguished until the tax has been paid to this Commonwealth; however, if such cigarettes have attached thereto the requisite stamps or if the excise tax imposed by Article 1 (§ 58.1-1000 et seq.) has been paid by the seller of such cigarettes, then the tax imposed by this article shall not be due.

The revenues generated by the tax imposed under this section on and after July 1, 2004, shall be collected by the Department and deposited into the Virginia Health Care Fund established under § 32.1-366.

Article 2.1.

Tobacco Products Tax.

§ 58.1-1021.01. Definitions.

As used in this article, unless the context clearly shows otherwise, the term or phrase:

“Package” means any package, bag, box, can, or other container in which tobacco products are packaged and sold.

“Purchase price” means the same as sales price but applies to the total price paid for tobacco products.

“Retail dealer” means every person other than a wholesale dealer, as defined in this section, who sells or offers for sale any tobacco product.

“Sales price” means the total amount for which tobacco products are sold, valued in money, whether paid in money or otherwise, and includes any amount for which credit is given to the purchaser by the dealer, without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor or service costs, losses or any other expenses whatsoever. “Sales price” shall not include any cash discount allowed and taken or finance charges, carrying charges, service charges or interest from credit extended on sales of tobacco products.

“Tobacco product” or “tobacco products” means (i) “cigar” as defined in § 5702 (a) of the Internal Revenue Code, and as such section may be amended; (ii) “smokeless tobacco” as defined in § 5702 (m) of the Internal Revenue Code, and as such section may be amended; (iii) “pipe tobacco” as defined in § 5702 (n) of the Internal Revenue Code, and as such section may be amended; or (iv) “roll-your-own tobacco” as defined in § 5702 (o) of the Internal Revenue Code, and as such section may be amended.

“Wholesale dealer” means persons who sell any tobacco product at wholesale to retail dealers, or who sell any tobacco product at wholesale to institutional, commercial or industrial users.

§ 58.1-1021.02. Tax on tobacco products.

A. In addition to all other taxes now imposed by law, there is hereby imposed a tax on every wholesale dealer within the Commonwealth selling any tobacco product to a retail dealer located in the Commonwealth or selling any tobacco product to institutional, commercial or industrial users located in

the Commonwealth. For purposes of such tax, chain store distribution centers or houses that distribute any tobacco product to their stores for sale at retail shall be deemed to be a wholesale dealer selling to a retail dealer.

The tax shall be imposed at a rate of 10 percent of the sales price charged by the wholesale dealer for each such package of tobacco product sold to a retail dealer or institutional, commercial or industrial user. In any case where a chain store distribution center or house distributes any tobacco product to its stores, the tax shall be imposed on the purchase price paid by the chain store distribution center or house for each such package of tobacco product so distributed.

B. In addition to all other taxes now imposed by law, there is hereby imposed a tax on every retail dealer within the Commonwealth purchasing any tobacco product from a wholesale dealer located outside the Commonwealth.

The tax shall be imposed at a rate of 10 percent of the purchase price paid by the retail dealer for each such package of tobacco product purchased from a wholesale dealer located outside the Commonwealth.

§ 58.1-1021.03. Monthly return and payments of tax.

A. Every wholesale dealer subject to the tax imposed under this article shall, beginning with the month of October 2004, file a monthly return no later than the tenth of each month on a form prescribed by the Department, covering the sale of tobacco products by such dealer, for which a tax is imposed pursuant to subsection A of 58.1-1021.02, during the preceding month. The return shall contain or be accompanied by such further information as the Department shall require. The wholesale dealer, at the time of filing the return, shall pay to the Department the tax imposed under subsection A of § 58.1-1021.02 on the sales price for each such package of tobacco product sold in the preceding month.

B. Every retail dealer subject to the tax imposed under this article shall, beginning with the month of October 2004, file a monthly return no later than the tenth of each month on a form prescribed by the Department, covering the purchase of tobacco products by such dealer, for which a tax is imposed pursuant to subsection B of 58.1-1021.02, during the preceding month. The return shall contain or be accompanied by such further information as the Department shall require. The retail dealer, at the time of filing the return, shall pay to the Department the tax imposed under subsection B of § 58.1-1021.02 on the purchase price for each such package of tobacco product purchased in the preceding month.

§ 58.1-1021.04. Failure to file return; fraudulent return; penalties; interest; overpayment of tax.

A. When any wholesale dealer or retail dealer fails to make any return or pay the full amount of the tax required by this article, there shall be imposed a specific penalty to be added to the tax in the amount of five percent if the failure is for not more than one month, with an additional two percent for each additional month, or fraction thereof, during which the failure continues, not to exceed 20 percent in the aggregate. In no case, however, shall the penalty be less than \$10 and such minimum penalty shall apply whether or not any tax is due for the period for which such return was required. If such failure is due to providential or other good cause shown to the satisfaction of the Tax Commissioner, such return with or without remittance may be accepted exclusive of penalties. In the case of a false or fraudulent return where willful intent exists to defraud the Commonwealth of any tax due under this article, or in the case of a willful failure to file a return with the intent to defraud the Commonwealth of any such tax, a specific penalty of 50 percent of the amount of the proper tax shall be assessed. All penalties and interest imposed by this article shall be payable by the wholesale dealer or retail dealer and collectible by the Department in the same manner as if they were a part of the tax imposed.

B. It shall be prima facie evidence of intent to defraud the Commonwealth of any tax due under this article when any wholesale dealer or retail dealer reports his sales or purchases, as the case may be, at 50 percent or less of the actual amount.

C. Interest at a rate determined in accordance with § 58.1-15 shall accrue on the tax until the same is paid.

No deficiency, interest or penalty shall be assessed for any month after the expiration of three years from the date set for the filing of the return for such month, except in cases of fraud, or where no return has been filed for such month.

D. If the Tax Commissioner determines that the amount paid the Commonwealth under this article in regard to any monthly return was greater than the amount of tax due the Commonwealth, the excess may be taken as a credit by the wholesale dealer or retail dealer against a subsequent month's tax imposed under this article. However, if such wholesale dealer or retail dealer requests a refund, such excess shall be refunded to the dealer within 45 days of the request. The refund shall include interest at the rate provided in § 58.1-15. Interest on such refunds shall accrue from the due date of the return to which such excess is attributable to or the date such excess was paid to the Department, whichever is later, and shall end on a date determined by the Department preceding the date of the refund check by not more than seven days.

§ 58.1-1021.05. Use of revenues.

The revenues generated by the taxes imposed under this article shall be collected by the Department and deposited into the Virginia Health Care Fund established under § 32.1-366.

3. That the taxes set forth under Article 2.1 (§ 58.1-1021.01 et seq.) of Chapter 10 of Title 58.1 pursuant to the second enactment of this act shall be imposed beginning September 1, 2004, for taxable sales or purchases under such article occurring on or after such date.

4. That the Tax Commissioner shall establish guidelines and rules for (i) transitional procedures in regard to the increase in the state cigarette tax and (ii) implementation of the tax on tobacco products under Article 2.1 (§ 58.1-1021.01 et seq.) of Chapter 10 of Title 58.1 pursuant to the second enactment of this act. Such guidelines and rules issued by the Tax Commissioner shall be exempt from the provisions of the Administrative Process Act (§ 2.2-4000 et seq.).

5. That the provisions of the first enactment of this act shall expire midnight on June 30, 2006. The provisions of all other enactments shall have no expiration date.

6. That this act is effective on July 1, 2004.

Part 5

Item 5-0 #2s

Language

Language:

Page 480, strike lines 1 through

Page 501, line 23 and insert:

PART 5: ENACTMENT NUMBERS 2 THROUGH 6

2. That §§ 10.1-1020, 10.1-2128, 10.1-2133, 58.1-302, 58.1-320, 58.1-321, 58.1-322, 58.1-324, 58.1-339.8, 58.1-341, 58.1-391, 58.1-392, 58.1-402, 58.1-415, 58.1-441, 58.1-520, 58.1-603, 58.1-604, 58.1-604.1, 58.1-608.3, 58.1-609.3, 58.1-611.1, 58.1-614, 58.1-615, 58.1-627, 58.1-628, 58.1-638, 58.1-639, 58.1-801, 58.1-803, 58.1-807, 58.1-808, 58.1-815, 58.1-816, 58.1-901, 58.1-902, 58.1-2402, 58.1-2425, and 58.1-3833 of the Code of Virginia are amended and reenacted, that the Code of Virginia is amended by adding in Title 10.1 a chapter numbered 21.2 consisting of a section numbered 10.1-2135, by adding sections numbered 58.1-390.1, 58.1-390.2 and 58.1-393.1, and by adding in Article 9 of Chapter 3 of Title 58.1 sections numbered 58.1-394.1, 58.1-394.2, and 58.1-395, as follows:

§ 10.1-1020. Virginia Land Conservation Fund; purposes of Foundation.

A. The Foundation shall establish, administer, manage, including the creation of reserves, and make expenditures and allocations from a special, nonreverting fund in the state treasury to be known as the Virginia Land Conservation Fund, hereinafter referred to as the Fund. The Foundation shall establish and administer the Fund solely for the purposes of:

1. Acquiring fee simple title to or other rights, interests or privileges in property for the protection or preservation of ecological, cultural or historical resources, lands for recreational purposes, state forest lands, and lands for threatened or endangered species, fish and wildlife habitat, natural areas, agricultural and forestal lands and open space; and

2. Providing grants to state agencies, including the Virginia Outdoors Foundation, and matching grants to other public bodies and holders for acquiring fee simple title to or other rights, interests or

privileges in real property for the protection or preservation of ecological, cultural or historical resources, lands for recreational purposes, and lands for threatened or endangered species, fish and wildlife habitat, natural areas, agricultural and forestal lands and open space. The Board shall establish criteria for making grants from the Fund, including procedures for determining the amount of each grant and the required match. The criteria shall include provisions for grants to localities for purchase of development rights programs.

Interests in land acquired as provided in subdivision 1 of this subsection may be held by the Foundation or transferred to state agencies or other appropriate holders. Whenever a holder acquires any interest in land other than a fee simple interest as a result of a grant or transfer from the Foundation, such interest shall be held jointly by the holder and a public body. Whenever a holder acquires a fee simple interest in land as a result of a grant or transfer from the Foundation, a public body shall hold an open space easement in such land.

B. The Fund shall consist of ~~general fund moneys~~ *the transfers in each fiscal year pursuant to § 10.1-2135* and gifts, endowments or grants from the United States government, its agencies and instrumentalities, and funds from any other available sources, public or private. Such moneys, gifts, endowments, grants or funds from other sources may be either restricted or unrestricted. For the purposes of this chapter, "restricted funds" shall mean those funds received by the Board to which specific conditions apply; "restricted funds" shall include, but not be limited to, general obligation bond moneys and conditional gifts. "Unrestricted funds" shall mean those received by the Foundation to which no specific conditions apply; "unrestricted funds" shall include, but not be limited to, moneys appropriated to the Fund by the General Assembly to which no specific conditions are attached and unconditional gifts.

C. After an allocation for administrative expenses has been made as provided in subsection F, the remaining unrestricted funds in the Fund shall be allocated as follows:

1. Twenty-five percent shall be transferred to the Open-Space Lands Preservation Trust Fund to be used as provided in § 10.1-1801.1; and

2. Seventy-five percent shall be divided equally among the following four uses: (i) natural area protection; (ii) open spaces and parks; (iii) farmlands and forest preservation; and (iv) historic area preservation. Of the amount allocated as provided in this subdivision, at least one third shall be used to secure easements to be held or co-held by a public body.

D. Any moneys remaining in the Fund at the end of a biennium shall remain in the Fund, and shall not revert to the general fund. Interest earned on moneys received by the Fund other than bond proceeds shall remain in the Fund and be credited to it.

E. A portion of the Fund, not to exceed ~~twenty~~ *20* percent of the annual balance of unrestricted funds, may be used to develop properties purchased in fee simple with the assets of the Fund for public use including, but not limited to, development of trails, parking areas, infrastructure, and interpretive projects or to conduct environmental assessments or other preliminary evaluations of properties prior to the acquisition of any property interest.

F. Up to \$250,000 per year of the interest generated by the Fund may be used for the Foundation's administrative expenses, including, but not limited to, the expenses of the Board and its members, development of the Foundation's strategic plan, development and maintenance of an inventory of properties as provided in subdivision 1 b of § 10.1-1021, development of a needs assessment for future expenditures as provided in subdivision 1 c of § 10.1-1021, and fulfillment of reporting requirements. All such expenditures shall be subject to approval by the Board of Trustees.

G. The Comptroller shall maintain the restricted funds and the unrestricted funds in separate accounts.

H. For the purposes of this section, "public body" shall have the meaning ascribed to it in § 10.1-1700, and "holder" shall have the meaning ascribed to it in § 10.1-1009.

§ 10.1-2128. Virginia Water Quality Improvement Fund established; purposes.

A. There is hereby established in the state treasury a special permanent, nonreverting fund, to be known as the "Virginia Water Quality Improvement Fund." The Fund shall be established on the books of the Comptroller. The Fund shall consist of sums appropriated to it by the General Assembly which shall

include, unless otherwise provided in the general appropriation act, ~~ten~~ 10 percent of the annual general fund revenue collections that are in excess of the official estimates in the general appropriation act ~~and ten percent of any unreserved general fund balance at the close of each fiscal year whose reappropriation is not required in the general appropriation act~~ for the relevant fiscal year up to a total of \$20 million in any fiscal year. Pursuant to § 2.2-1514, at the end of each fiscal year the Comptroller shall set aside such amount for deposit into the Fund from such excess general fund revenue collections. The Fund shall also consist of the transfers in each fiscal year pursuant to § 10.1-2135 and such other sums as may be made available to it from any other source, public or private, and shall include any penalties or damages collected under this article, federal grants solicited and received for the specific purposes of the Fund, and all interest and income from investment of the Fund. Any sums remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. All moneys designated for the Fund shall be paid into the state treasury and credited to the Fund. Moneys in the Fund shall be used solely for Water Quality Improvement Grants. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon the written request of the Director of the Department of Environmental Quality or the Director of the Department of Conservation and Recreation as provided in this chapter.

B. The purpose of the Fund is to provide Water Quality Improvement Grants to local governments, soil and water conservation districts, institutions of higher education and individuals for point and nonpoint source pollution prevention, reduction and control programs and efforts undertaken in accordance with the provisions of this chapter. The Fund shall not be used for agency operating expenses or for purposes of replacing or otherwise reducing any general, nongeneral, or special funds allocated or appropriated to any state agency; however, nothing in this section shall be construed to prevent the award of a Water Quality Improvement Grant to a local government in connection with point or nonpoint pollution prevention, reduction and control programs or efforts undertaken on land owned by the Commonwealth and leased to the local government.

§ 10.1-2133. Annual report by State Comptroller.

The State Comptroller shall, by January 1 of each year, certify to the chairmen of the House Committee on Appropriations and the Senate Committee on Finance, the total amount of annual general fund revenue collections in excess of the official estimate in the general appropriation act ~~the total amount of the unreserved general fund balance whose reappropriation is not required in the general appropriation act~~ at the close of the previous fiscal year and the total amount of funds that are to be directed to the credit of the Virginia Water Quality Improvement Fund under this article and pursuant to § 10.1-2135 unless otherwise provided in the general appropriation act.

CHAPTER 21.2.

VIRGINIA NATURAL AND HISTORIC RESOURCES FUND.

§ 10.1-2135. *Virginia Natural and Historic Resources Fund; established.*

A. *There is hereby created in the state treasury a special permanent, nonreverting, interest-bearing fund to be known as the Virginia Natural and Historic Resources Fund, hereinafter referred to as "the Fund." The Fund shall be established on the books of the Comptroller. The Fund shall consist of (i) any sales and use tax revenues transferred pursuant to subsection F of § 58.1-638; (ii) any other moneys appropriated to it by the General Assembly; and (iii) such other sums as may be made available to it from any other source, public or private, all of which shall be credited to the Fund. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall remain in the Fund and shall not revert to the general fund.*

B. *On a quarterly basis, all moneys deposited in the Fund including interest, with the exception of any sales and use tax revenues transferred pursuant to subsection F of § 58.1-638, shall be allocated by the Secretary of Natural Resources in the following manner:*

1. *No less than 40 percent and no more than 60 percent of the moneys in the Fund shall be deposited into the Virginia Land Conservation Fund to be expended as provided in Chapter 10.2 (§ 10.1-1017 et seq.) of this title; and*

2. *The remainder of the moneys in the Fund shall be deposited into the Virginia Water Quality Improvement Fund to be expended as provided in Chapter 21.1 (§ 10.1-2117 et seq.) of this title.*

C. The \$30 million of sales and use tax revenues transferred in each fiscal year to the Fund pursuant to subsection F of § 58.1-638 shall be transferred out of the Fund in each fiscal year by the Comptroller as follows:

1. \$14,812,500 shall be transferred to the Virginia Land Conservation Fund to be expended as provided in Chapter 10.2 (§ 10.1-1017 et seq.) of this title;

2. \$14,812,500 shall be transferred to the Virginia Water Quality Improvement Fund to be expended as provided in Chapter 21.1 (§ 10.1-2117 et seq.) of this title; and

3. A total of \$375,000 shall be transferred among the Department of Environmental Quality and the Department of Conservation and Recreation for operations as provided in the general appropriation act.

The Comptroller shall make the transfers required by this subsection as soon as practicable. The Comptroller shall make such transfers to the Virginia Land Conservation Fund and to the Virginia Water Quality Improvement Fund on the same calendar day or days and in the same amount to each Fund.

§ 58.1-302. Definitions.

For the purpose of this chapter and unless otherwise required by the context:

“Affiliated” means two or more corporations subject to Virginia income taxes whose relationship to each other is such that (i) one corporation owns at least ~~eighty~~^{eighty} 80 percent of the voting stock of the other or others or (ii) at least ~~eighty~~^{eighty} 80 percent of the voting stock of two or more corporations is owned by the same interests.

“Compensation” means wages, salaries, commissions and any other form of remuneration paid or accrued to employees for personal services.

“Corporation” includes associations, joint stock companies and insurance companies.

“Domicile” means the permanent place of residence of a taxpayer and the place to which he intends to return even though he may actually reside elsewhere. In determining domicile, consideration may be given to the applicant’s expressed intent, conduct, and all attendant circumstances including, but not limited to, financial independence, business pursuits, employment, income sources, residence for federal income tax purposes, marital status, residence of parents, spouse and children, if any, leasehold, sites of personal and real property owned by the applicant, motor vehicle and other personal property registration, residence for purposes of voting as proven by registration to vote, if any, and such other factors as may reasonably be deemed necessary to determine the person’s domicile.

“Earned income” means wages, salaries, professional fees, or amounts received as compensation for professional services actually rendered, but does not include that part of the compensation derived by the taxpayer for personal services rendered by him to a business that represents a distribution of earnings or profits rather than a reasonable allowance as compensation for the personal services actually rendered. Earned income does not include interest or dividend income, capital gains, income from investments, or similar types of passive income.

“Foreign source income” means:

1. Interest, other than interest derived from sources within the United States;

2. Dividends, other than dividends derived from sources within the United States;

3. Rents, royalties, license, and technical fees from property located or services performed without the United States or from any interest in such property, including rents, royalties, or fees for the use of or the privilege of using without the United States any patents, copyrights, secret processes and formulas, good will, trademarks, trade brands, franchises, and other like properties;

4. Gains, profits, or other income from the sale of intangible or real property located without the United States; and

5. The amount of an individual’s share of net income attributable to a foreign source qualified business unit of an electing small business corporation (S corporation). For purposes of this subsection, qualified business unit shall be defined by § 989 of the Internal Revenue Code, and the source of such income shall be determined in accordance with §§ 861, 862 and 987 of the Internal Revenue Code.

In determining the source of “foreign source income,” the provisions of §§ 861, 862, and 863 of the Internal Revenue Code shall be applied except as specifically provided in subsection 5 above.

“Income and deductions from Virginia sources” includes:

1. Items of income, gain, loss and deduction attributable to:

- a. The ownership of any interest in real or tangible personal property in Virginia;
- b. A business, trade, profession or occupation carried on in Virginia; or
- c. Prizes paid by the Virginia Lottery Department, and gambling winnings from wagers placed or paid at a location in Virginia.

2. Income from intangible personal property, including annuities, dividends, interest, royalties and gains from the disposition of intangible personal property to the extent that such income is from property employed by the taxpayer in a business, trade, profession, or occupation carried on in Virginia.

“Individual” means all natural persons whether married or unmarried and fiduciaries acting for natural persons, but not fiduciaries acting for trusts or estates.

“Intangible expenses and costs” means:

1. Expenses, losses and costs for, related to, or in connection directly or indirectly with the direct or indirect acquisition, use, maintenance or management, ownership, sale, exchange, lease, transfer, or any other disposition of intangible property to the extent such amounts are allowed as deductions or costs in determining taxable income;

2. Losses related to or incurred in connection directly or indirectly with factoring transactions or discounting transactions;

3. Royalty, patent, technical and copyright fees;

4. Licensing fees; and

5. Other similar expenses and costs.

“Intangible property” means patents, patent applications, trade names, trademarks, service marks, copyrights and similar types of intangible assets, as well as money.

“Interest expenses and costs” means amounts directly or indirectly allowed as deductions under Section 163 of the Internal Revenue Code for purposes of determining taxable income under the Internal Revenue Code to the extent such expenses and costs are directly or indirectly for, related to, or in connection with the direct or indirect acquisition, use, maintenance, management, ownership, sale, exchange, lease, transfer, or disposition of intangible property.

“Nonresident estate or trust” means an estate or trust which is not a resident estate or trust.

“Related entity” means:

1. A stockholder who is an individual, or a member of the stockholder’s family enumerated in Section 318 of the Internal Revenue Code, if the stockholder and the members of the stockholder’s family own, directly, indirectly, beneficially or constructively, in the aggregate, at least 50 percent of the value of the taxpayer’s outstanding stock;

2. A stockholder, or a stockholder’s partnership, limited liability company, estate, trust or corporation, if the stockholder and the stockholder’s partnerships, limited liability companies, estates, trusts and corporations own directly, indirectly, beneficially or constructively, in the aggregate, at least 50 percent of the value of the taxpayer’s outstanding stock; or

3. A corporation, or a party related to the corporation in a manner that would require an attribution of stock from the corporation to the party or from the party to the corporation under the attribution rules of Section 318 of the Internal Revenue Code, if the taxpayer owns, directly, indirectly, beneficially or constructively, at least 50 percent of the value of the corporation’s outstanding stock. The attribution rules of Section 318 of the Internal Revenue Code shall apply for purposes of determining whether the ownership requirements of this subdivision have been met.

“Related member” means a person that, with respect to the taxpayer during all or any portion of the taxable year, is a related entity, a component member as defined in Section 1563(b) of the Internal Revenue Code, or is a person to or from whom there is attribution of stock ownership in accordance with Section 1563(e) of the Internal Revenue Code.

“Resident” applies only to natural persons and includes, for the purpose of determining liability for the taxes imposed by this chapter upon the income of any taxable year every person domiciled in Virginia at any time during the taxable year and every other person who, for an aggregate of more than 183 days of the taxable year, maintained his place of abode within Virginia, whether domiciled in Virginia or not. The word “resident” shall not include any member of the United States Congress who is domiciled in another state.

“Resident estate or trust” means:

1. The estate of a decedent who at his death was domiciled in the Commonwealth;
2. A trust created by will of a decedent who at his death was domiciled in the Commonwealth;
3. A trust created by or consisting of property of a person domiciled in the Commonwealth; or
4. A trust or estate which is being administered in the Commonwealth.

“Sales” means all gross receipts of the corporation not allocated under § 58.1-407, except the sale or other disposition of intangible property shall include only the net gain realized from the transaction.

“State” means for purposes of Article 10 of this chapter any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, and any foreign country.

“Trust” or “estate” means a trust or estate, or a fiduciary thereof, which is required to file a fiduciary income tax return under the laws of the United States.

“Virginia fiduciary adjustment” means the net amount of the applicable modifications described in § 58.1-322 (including subsection E thereof if the estate or trust is a beneficiary of another estate or trust) which relate to items of income, gain, loss or deduction of an estate or trust. The fiduciary adjustment shall not include the modification in subsection D of § 58.1-322, except that the amount of state income taxes excluded from federal taxable income shall be included. The fiduciary adjustment shall also include the modification in subsection D of § 58.1-322, regarding the deduction for the purchase of a prepaid tuition contract or contribution to a savings trust account.

§ 58.1-320. Imposition of tax.

A tax is hereby annually imposed on the Virginia taxable income for each taxable year of every individual as follows:

Two percent on income not exceeding \$3,000;

Three percent on income in excess of \$3,000, but not in excess of \$5,000;

Five percent on income in excess of \$5,000, but not in excess of \$12,000 for taxable years beginning before January 1, 1987;

Five percent on income in excess of \$5,000 but not in excess of \$14,000 for taxable years beginning January 1, 1987, through December 31, 1987;

Five percent on income in excess of \$5,000 but not in excess of \$15,000 for taxable years beginning January 1, 1988, through December 31, 1988;

Five percent on income in excess of \$5,000 but not in excess of \$16,000 for taxable years beginning January 1, 1989, through December 31, 1989;

Five percent on income in excess of \$5,000 but not in excess of \$17,000 for taxable years beginning January 1, 1990;

Five and three-quarters percent on income in excess of \$12,000 for taxable years beginning before January 1, 1987;

Five and three-quarters percent on income in excess of \$14,000 for taxable years beginning January 1, 1987, through December 31, 1987;

Five and three-quarters percent on income in excess of \$15,000 for taxable years beginning January 1, 1988, through December 31, 1988;

Five and three-quarters percent on income in excess of \$16,000 for taxable years beginning January 1, 1989, through December 31, 1989; ~~and~~

Five and three-quarters percent on income in excess of \$17,000 for taxable years beginning on ~~and~~ or after January 1, 1990, *but before January 1, 2004*;

Five and three-quarters percent on income in excess of \$17,000 but not in excess of \$100,000 for taxable years beginning on or after January 1, 2004;

Six and one-quarter percent on income in excess of \$100,000 but not in excess of \$150,000 for taxable years beginning on or after January 1, 2004; and

Six and one-half percent on income in excess of \$150,000 for taxable years beginning on or after January 1, 2004.

§ 58.1-321. Exemptions and exclusions.

A. No tax levied pursuant to § 58.1-320 is imposed, nor any return required to be filed by:

1. A single individual where the Virginia adjusted gross income for such taxable year is less than \$3,000 for taxable years beginning before January 1, 1987; and less than \$5,000 for taxable years beginning on ~~and~~ or after January 1, 1987; *but before January 1, 2004.*

A single individual where the Virginia adjusted gross income plus the modification specified in subdivision D 5 of § 58.1-322 for such taxable year is less than \$5,000 for taxable years beginning on or after January 1, 2004.

2. An individual and spouse if their combined Virginia adjusted gross income for such taxable year is less than ~~\$3,000 for taxable years beginning before January 1, 1987; and less than~~ \$8,000 for taxable years beginning on ~~and~~ or after January 1, 1987 (or one-half of such amount in the case of a married individual filing a separate return) *but before January 1, 2004.*

An individual and spouse if their combined Virginia adjusted gross income plus the modification specified in subdivision D 5 of § 58.1-322 is less than \$8,000 for taxable years beginning on or after January 1, 2004 (or one-half of such amount in the case of a married individual filing a separate return) but before January 1, 2005; and less than \$9,000 for taxable years beginning on or after January 1, 2005 (or one-half of such amount in the case of a married individual filing a separate return).

For the purposes of this section “Virginia adjusted gross income” means federal adjusted gross income for the taxable years with the modifications specified in § 58.1-322 B, § 58.1-322 C and the additional deductions allowed under § 58.1-322 D 2 b and D 5 *for taxable years beginning before January 1, 2004. For taxable years beginning on or after January 1, 2004, Virginia adjusted gross income means federal adjusted gross income with the modifications specified in subsections B and C of § 58.1-322.*

B. Persons in the armed forces of the United States stationed on military or naval reservations within Virginia who are not domiciled in Virginia shall not be held liable to income taxation for compensation received from military or naval service.

§ 58.1-322. Virginia taxable income of residents.

A. The Virginia taxable income of a resident individual means his federal adjusted gross income for the taxable year, which excludes combat pay for certain members of the Armed Forces of the United States as provided in § 112 of the Internal Revenue Code, as amended, and with the modifications specified in this section.

B. To the extent excluded from federal adjusted gross income, there shall be added:

1. Interest, less related expenses to the extent not deducted in determining federal income, on obligations of any state other than Virginia, or of a political subdivision of any such other state unless created by compact or agreement to which Virginia is a party;

2. Interest or dividends, less related expenses to the extent not deducted in determining federal taxable income, on obligations or securities of any authority, commission or instrumentality of the United States, which the laws of the United States exempt from federal income tax but not from state income taxes;

3. Unrelated business taxable income as defined by § 512 of the Internal Revenue Code;

4. The amount of a lump sum distribution from a qualified retirement plan, less the minimum distribution allowance and any amount excludable for federal income tax purposes that is excluded from federal adjusted gross income solely by virtue of an individual's election to use the averaging provisions under § 402 of the Internal Revenue Code; and

5. through 8. [Repealed.]

9. The amount required to be included in income for the purpose of computing the partial tax on an accumulation distribution pursuant to § 667 of the Internal Revenue Code.

C. To the extent included in federal adjusted gross income, there shall be subtracted:

1. Income derived from obligations, or on the sale or exchange of obligations, of the United States and on obligations or securities of any authority, commission or instrumentality of the United States to the extent exempt from state income taxes under the laws of the United States including, but not limited to, stocks, bonds, treasury bills, and treasury notes, but not including interest on refunds of federal taxes, interest on equipment purchase contracts, or interest on other normal business transactions.

2. Income derived from obligations, or on the sale or exchange of obligations of this Commonwealth or of any political subdivision or instrumentality of this Commonwealth.

3. [Repealed.]

4. Benefits received under Title II of the Social Security Act and other benefits subject to federal income taxation solely pursuant to § 86 of the Internal Revenue Code.

4a. Through December 31, 2000, the same amount used in computing the federal credit allowed under § 22 of the Internal Revenue Code by a retiree under age 65 who qualified for such retirement on the basis of permanent and total disability and who is a qualified individual as defined in § 22 (b) (2) of the Internal Revenue Code; however, any person who claims a deduction under subdivision 5 of subsection D of this section may not also claim a subtraction under this subdivision.

4b. For taxable years beginning on or after January 1, 2001, up to \$20,000 of disability income, as defined in § 22 (c) (2) (B) (iii) of the Internal Revenue Code; however, any person who claims a deduction under subdivision 5 of subsection D of this section may not also claim a subtraction under this subdivision.

5. The amount of any refund or credit for overpayment of income taxes imposed by the Commonwealth or any other taxing jurisdiction.

6. The amount of wages or salaries eligible for the federal Targeted Jobs Credit which was not deducted for federal purposes on account of the provisions of § 280C (a) of the Internal Revenue Code.

7, 8. [Repealed.]

9. [Expired.]

10. Any amount included therein less than \$600 from a prize awarded by the State Lottery Department.

11. The wages or salaries received by any person for active and inactive service in the National Guard of the Commonwealth of Virginia, not to exceed the amount of income derived from 39 calendar days of such service or \$3,000, whichever amount is less; however, only those persons in the ranks of O3 and below shall be entitled to the deductions specified herein.

12. Amounts received by an individual, not to exceed \$1,000 in any taxable year, as a reward for information provided to a law-enforcement official or agency, or to a nonprofit corporation created exclusively to assist such law-enforcement official or agency, in the apprehension and conviction of perpetrators of crimes. This provision shall not apply to the following: an individual who is an employee of, or under contract with, a law-enforcement agency, a victim or the perpetrator of the crime for which the reward was paid, or any person who is compensated for the investigation of crimes or accidents.

13. [Repealed.]

14. (Expires for taxable years beginning on and after January 1, 2004) The amount of any qualified agricultural contribution as determined in § 58.1-322.2.

15, 16. [Repealed.]

17. For taxable years beginning on and after January 1, 1995, the amount of “qualified research expenses” or “basic research expenses” eligible for deduction for federal purposes, but which were not deducted, on account of the provisions of § 280C (c) of the Internal Revenue Code and which shall be available to partners, shareholders of S corporations, and members of limited liability companies to the extent and in the same manner as other deductions may pass through to such partners, shareholders, and members.

18. For taxable years beginning on or after January 1, 1995, all military pay and allowances, not otherwise subtracted under this subsection, earned for any month during any part of which such member performed military service in any part of the former Yugoslavia, including the air space above such location or any waters subject to related naval operations, in support of Operation JOINT ENDEAVOR as part of the NATO Peace Keeping Force. Such subtraction shall be available until the taxpayer completes such service.

19. For taxable years beginning on and after January 1, 1996, any income received during the taxable year derived from a qualified pension, profit-sharing, or stock bonus plan as described by § 401 of the Internal Revenue Code, an individual retirement account or annuity established under § 408 of the Internal Revenue Code, a deferred compensation plan as defined by § 457 of the Internal Revenue Code,

or any federal government retirement program, the contributions to which were deductible from the taxpayer's federal adjusted gross income, but only to the extent the contributions to such plan or program were subject to taxation under the income tax in another state.

20. For taxable years beginning on and after January 1, 1997, any income attributable to a distribution of benefits or a refund from a prepaid tuition contract or savings trust account with the Virginia College Savings Plan, created pursuant to Chapter 4.9 (§ 23-38.75 et seq.) of Title 23. The subtraction for any income attributable to a refund shall be limited to income attributable to a refund in the event of a beneficiary's death, disability, or receipt of a scholarship.

21. For taxable years beginning on or after January 1, 1998, all military pay and allowances, to the extent included in federal adjusted gross income and not otherwise subtracted, deducted or exempted under this section, earned by military personnel while serving by order of the President of the United States with the consent of Congress in a combat zone or qualified hazardous duty area which is treated as a combat zone for federal tax purposes pursuant to § 112 of the Internal Revenue Code.

22. For taxable years beginning on or after January 1, 2000, the gain derived from the sale or exchange of real property or the sale or exchange of an easement to real property which results in the real property or the easement thereto being devoted to open-space use, as that term is defined in § 58.1-3230, for a period of time not less than 30 years. To the extent a subtraction is taken in accordance with this subdivision, no tax credit under this chapter for donating land for its preservation shall be allowed for three years following the year in which the subtraction is taken.

23. Effective for all taxable years beginning on or after January 1, 2000, \$15,000 of military basic pay for military service personnel on extended active duty for periods in excess of 90 days; however, the subtraction amount shall be reduced dollar-for-dollar by the amount which the taxpayer's military basic pay exceeds \$15,000 and shall be reduced to zero if such military basic pay amount is equal to or exceeds \$30,000.

24. Effective for all taxable years beginning on and after January 1, 2000, the first \$15,000 of salary for each federal and state employee whose annual salary is \$15,000 or less.

25. Unemployment benefits taxable pursuant to § 85 of the Internal Revenue Code.

26. For taxable years beginning on and after January 1, 2001, any amount received as military retirement income by an individual awarded the Congressional Medal of Honor.

27. Effective for all taxable years beginning on and after January 1, 1999, income received as a result of (i) the "Master Settlement Agreement," as defined in § 3.1-1106; (ii) the National Tobacco Grower Settlement Trust dated July 19, 1999; and (iii) the Tobacco Loss Assistance Program, pursuant to 7 C.F.R. Part 1464 (Subpart C, §§ 1464.201 through 1464.205), by (a) tobacco farmers; (b) any person holding a tobacco marketing quota, or tobacco farm acreage allotment, under the Agricultural Adjustment Act of 1938; or (c) any person having the right to grow tobacco pursuant to such a quota or allotment, but only to the extent that such income has not been subtracted pursuant to subdivision C 18 of § 58.1-402.

28. For taxable years beginning on and after January 1, 2000, items of income attributable to, derived from or in any way related to (i) assets stolen from, hidden from or otherwise lost by an individual who was a victim or target of Nazi persecution or (ii) damages, reparations, or other consideration received by a victim or target of Nazi persecution to compensate such individual for performing labor against his will under the threat of death, during World War II and its prelude and direct aftermath. This subtraction shall not apply to assets acquired with such items of income or with the proceeds from the sale of assets stolen from, hidden from or otherwise lost to, during World War II and its prelude and direct aftermath, a victim or target of Nazi persecution. The provisions of this subdivision shall only apply to an individual who was the first recipient of such items of income and who was a victim or target of Nazi persecution, or a spouse, widow, widower, or child or stepchild of such victim.

"Victim or target of Nazi persecution" means any individual persecuted or targeted for persecution by the Nazi regime who had assets stolen from, hidden from or otherwise lost as a result of any act or omission in any way relating to (i) the Holocaust; (ii) World War II and its prelude and direct aftermath; (iii) transactions with or actions of the Nazi regime; (iv) treatment of refugees fleeing Nazi persecution; or (v) the holding of such assets by entities or persons in the Swiss Confederation during World War II and its prelude and aftermath. A victim or target of Nazi persecution shall also include any individual

forced into labor against his will, under the threat of death, during World War II and its prelude and direct aftermath. As used in this subdivision, "Nazi regime" means the country of Nazi Germany, areas occupied by Nazi Germany, those European countries allied with Nazi Germany, or any other neutral European country or area in Europe under the influence or threat of Nazi invasion.

29. For taxable years beginning on and after January 1, 2002, any gain recognized as a result of the Peanut Quota Buyout Program of the Farm Security and Rural Investment Act of 2002 pursuant to 7 C.F.R. Part 1412 (Subpart H, §§ 1412.801 through 1412.811) as follows:

a. If the payment is received in installment payments pursuant to 7 C.F.R. § 1412.807(a)(2), then the entire gain recognized may be subtracted.

b. If the payment is received in a single payment pursuant to 7 C.F.R. § 1412.807(a)(3), then 20 percent of the recognized gain may be subtracted. The taxpayer may then deduct an equal amount in each of the four succeeding taxable years.

30. Effective for all taxable years beginning on and after January 1, 2002, but before January 1, 2005, the indemnification payments received by contract poultry growers and table egg producers from the U.S. Department of Agriculture as a result of the depopulation of poultry flocks because of low pathogenic avian influenza in 2002. In no event shall indemnification payments made to owners of poultry who contract with poultry growers qualify for this subtraction.

31. Effective for all taxable years beginning on or after January 1, 2001, the military death gratuity payment made after September 11, 2001, to the survivor of deceased military personnel killed in the line of duty, pursuant to Chapter 75 of Title 10 of the United States Code; however, the subtraction amount shall be reduced dollar-for-dollar by the amount that the survivor may exclude from his federal gross income in accordance with § 134 of the Internal Revenue Code.

D. In computing Virginia taxable income there shall be deducted from ~~federal adjusted gross income~~ *Virginia adjusted gross income as defined in § 58.1-321*:

1. a. The amount allowable for itemized deductions for federal income tax purposes where the taxpayer has elected for the taxable year to itemize deductions on his federal return, but reduced by the amount of income taxes imposed by the Commonwealth or any other taxing jurisdiction and deducted on such federal return and increased by an amount which, when added to the amount deducted under § 170 of the Internal Revenue Code for mileage, results in a mileage deduction at the state level for such purposes at a rate of 18 cents per mile; or

b. Two thousand dollars for taxable years beginning January 1, 1987, through December 31, 1987; \$2,700 for taxable years beginning January 1, 1988, through December 31, 1988; ~~and~~ \$5,000 for married persons (one-half of such amounts in the case of a married individual filing a separate return); and \$3,000 for single individuals for taxable years beginning on ~~and~~ or after January 1, 1989, *but before January 1, 2005; and \$7,000 for married persons (one-half of such amounts in the case of a married individual filing a separate return) and \$3,500 for single individuals for taxable years beginning on or after January 1, 2005*; provided that the taxpayer has not itemized deductions for the taxable year on his federal income tax return. For purposes of this section, any person who may be claimed as a dependent on another taxpayer's return for the taxable year may compute the deduction only with respect to earned income.

2. a. A deduction in the amount of \$700 for taxable years beginning January 1, 1987, through December 31, 1987, ~~and~~; \$800 for taxable years beginning on ~~and~~ or after January 1, 1988, *but before January 1, 2005; and \$1,000 for taxable years beginning on or after January 1, 2005*, for each personal exemption allowable to the taxpayer for federal income tax purposes.

b. For taxable years beginning on ~~and~~ or after January 1, 1987, each blind or aged taxpayer as defined under § 63 (f) of the Internal Revenue Code shall be entitled to an additional personal exemption *in the amount of \$800 for the taxable year*.

~~b. An additional deduction of \$200 for taxable years beginning January 1, 1987, through December 31, 1987, for each blind or aged taxpayer as defined under § 63 (f) of the Internal Revenue Code. The additional deduction for blind or aged taxpayers allowed under this subdivision and the additional personal exemption allowed to blind or aged taxpayers under subdivision 2 a of this subsection shall be allowable regardless of whether the taxpayer itemizes deductions for the taxable year for federal income tax purposes.~~

3. A deduction equal to the amount of employment-related expenses upon which the federal credit is based under § 21 of the Internal Revenue Code for expenses for household and dependent care services necessary for gainful employment.

4. An additional \$1,000 deduction for each child residing for the entire taxable year in a home under permanent foster care placement as defined in § 63.2-908, provided the taxpayer can also claim the child as a personal exemption under § 151 of the Internal Revenue Code.

5. Effective for all taxable years beginning on or after January 1, 1996, *but before January 1, 2004*, a deduction in the amount of \$12,000 for taxpayers age 65 or older, or \$6,000 for taxpayers age 62 through 64.

a. The age deduction for all taxable years beginning on or after January 1, 2004, shall be determined in accordance with the following table and as adjusted herein:

<i>Taxable Years</i>	<i>Applicable Deduction</i>
<i>1. Beginning on or after January 1, 2004, but before January 1, 2011</i>	<i>\$12,000 for individuals who are 65 or older in the taxable year</i>
<i>2. Beginning on or after January 1, 2011</i>	<i>\$12,000 for individuals who are at their retirement age or older in the taxable year</i>
<i>3. Beginning on or after January 1, 2004,</i>	<i>\$6,000 for individuals born on or before December 31, 1941, who did not reach the age of 65 in the taxable year</i>

Except as provided in subdivision b, the deductions provided in this table shall be reduced by \$1 for each \$1 by which the taxpayer's modified federal adjusted gross income exceeds \$40,000 for single taxpayers and \$64,000 for married taxpayers.

For married taxpayers filing separately, whether or not on a combined return, with combined modified federal adjusted gross income of both spouses in excess of \$64,000 for the taxable year, the age deduction allowed for each individual spouse shall be reduced by \$1 for each \$2 by which combined modified federal adjusted gross income exceeds \$64,000 pursuant to subdivision 5 b under the following circumstances.

b. 1. There shall be no reduction to the amount of the age deduction for any taxpayer who was at least 65 years old as of December 31, 2003, provided that the taxpayer's modified federal adjusted gross income for the taxable year is not in excess of \$200,000.

There shall be no reduction to the amount of the \$6,000 age deduction available to any taxpayer who was at least 62 but less than 65 years old as of December 31, 2003, provided that the taxpayer's modified federal adjusted gross income for the taxable year is not in excess of \$200,000.

2. If the taxpayer is married, such \$200,000 limitation shall apply to the combined modified federal adjusted gross income of both spouses for the taxable year regardless of whether or not such married taxpayers file separate individual income tax returns or a joint individual income tax return.

c. For the purposes of subdivisions D 5 a and b, "modified federal adjusted gross income" means federal adjusted gross income minus any benefits received under Title II of the Social Security Act and other benefits subject to federal income taxation solely pursuant to § 86 of the Internal Revenue Code, as amended.

For purposes of subdivision D 5 a, "retirement age" means the same as such term is defined under 42 U.S.C. § 416, as may be amended from time to time.

6. For taxable years beginning on and after January 1, 1997, the amount an individual pays as a fee for an initial screening to become a possible bone marrow donor, if (i) the individual is not reimbursed for such fee or (ii) the individual has not claimed a deduction for the payment of such fee on his federal income tax return.

7. a. A deduction shall be allowed to the purchaser or contributor for the amount paid or contributed during the taxable year for a prepaid tuition contract or savings trust account entered into with the Virginia College Savings Plan, pursuant to Chapter 4.9 (§ 23-38.75 et seq.) of Title 23. Except as provided in subdivision 7 c, the amount deducted on any individual income tax return in any taxable year

shall be limited to \$2,000 per prepaid tuition contract or savings trust account. No deduction shall be allowed pursuant to this section if such payments or contributions are deducted on the purchaser's or contributor's federal income tax return. If the purchase price or annual contribution to a savings trust account exceeds \$2,000, the remainder may be carried forward and subtracted in future taxable years until the purchase price or savings trust contribution has been fully deducted; however, except as provided in subdivision 7 c, in no event shall the amount deducted in any taxable year exceed \$2,000 per contract or savings trust account. Notwithstanding the statute of limitations on assessments contained in § 58.1-312, any deduction taken hereunder shall be subject to recapture in the taxable year or years in which distributions or refunds are made for any reason other than (i) to pay qualified higher education expenses, as defined in § 529 of the Internal Revenue Code or (ii) the beneficiary's death, disability, or receipt of a scholarship. For the purposes of this subdivision, the term "purchaser" or "contributor" means the person shown as such on the records of the Virginia College Savings Plan as of December 31 of the taxable year. In the case of a transfer of ownership of a prepaid tuition contract or savings trust account, the transferee shall succeed to the transferor's tax attributes associated with a prepaid tuition contract or savings trust account, including, but not limited to, carryover and recapture of deductions.

b. The amount paid for a prepaid tuition contract during taxable years beginning on or after January 1, 1996, but before January 1, 1998, shall be deducted in taxable years beginning on or after January 1, 1998, and shall be subject to the limitations set out in subdivision 7 a.

c. A purchaser of a prepaid tuition contract or contributor to a savings trust account who has attained age 70 shall not be subject to the limitation that the amount of the deduction not exceed \$2,000 per prepaid tuition contract or savings trust account in any taxable year. Such taxpayer shall be allowed a deduction for the full amount paid for the contract or contributed to a savings trust account, less any amounts previously deducted. If a prepaid tuition contract was purchased by such taxpayer during taxable years beginning on or after January 1, 1996, but before January 1, 1998, such taxpayer may take the deduction for the full amount paid during such years, less any amounts previously deducted with respect to such payments, in taxable year 1999 or by filing an amended return for taxable year 1998.

8. For taxable years beginning on and after January 1, 2000, the total amount an individual actually contributed in funds to the Virginia Public School Construction Grants Program and Fund, established in Chapter 11.1 (§ 22.1-175.1 et seq.) of Title 22.1, provided the individual has not claimed a deduction for such amount on his federal income tax return.

9. For taxable years beginning on and after January 1, 1999, an amount equal to 20 percent of the tuition costs incurred by an individual employed as a primary or secondary school teacher licensed pursuant to Chapter 15 (§ 22.1-289.1 et seq.) of Title 22.1 to attend continuing teacher education courses that are required as a condition of employment; however, the deduction provided by this subsection shall be available only if (i) the individual is not reimbursed for such tuition costs and (ii) the individual has not claimed a deduction for the payment of such tuition costs on his federal income tax return.

10. For taxable years beginning on and after January 1, 2000, the amount an individual pays annually in premiums for long-term health care insurance, provided the individual has not claimed a deduction for federal income tax purposes.

E. There shall be added to or subtracted from federal adjusted gross income, as the case may be, the individual's share, as beneficiary of an estate or trust, of the Virginia fiduciary adjustment determined under § 58.1-361.

F. There shall be added or subtracted, as the case may be, the amounts provided in § 58.1-315 as transitional modifications.

§ 58.1-324. Husband and wife.

For purposes of this section:

"Family Virginia taxable income" means, for the relevant taxable year, the combined Virginia taxable income of a husband and wife who are not legally separated.

A. If the federal taxable income of husband or wife is determined on a separate federal return, their Virginia taxable incomes shall be separately determined, *if family Virginia taxable income is less than or equal to \$100,000.*

B. If family Virginia taxable income exceeds \$100,000 for the taxable year, the individual income tax shall be calculated on the family Virginia taxable income, and each spouse shall be jointly and severally liable for such tax except as provided in subdivision B 2.

1. In cases where both spouses have earned income as such term is defined in § 58.1-302, a two-earner adjustment shall be applied to reduce the calculated tax liability on the following basis:

<i>If taxable income is:</i>	<i>The deduction shall equal:</i>
<i>In excess of \$100,000 but not in excess of \$125,000</i>	<i>4.5 percent two-earner credit</i>
<i>In excess of \$125,000 but not in excess of \$150,000</i>	<i>4 percent two-earner credit</i>
<i>In excess of \$150,000 but not in excess of \$200,000</i>	<i>3 percent two-earner credit</i>
<i>In excess of \$200,000 but not in excess of \$300,000</i>	<i>2 percent two-earner credit</i>
<i>In excess of \$300,000</i>	<i>1 percent two-earner credit, not to exceed a maximum credit of \$1,132</i>

2. In cases where family Virginia taxable income exceeds \$100,000 for the taxable year and separate income tax returns are filed, each spouse shall be severally liable for the tax calculated on family Virginia taxable income on a pro rata basis. Each spouse's individual income tax liability shall be that portion of the income tax on family Virginia taxable income as the spouse's Virginia taxable income for the taxable year bears to the combined Virginia taxable income of both spouses for the taxable year.

BC. If the federal taxable income of husband and wife is determined on a joint federal return, or if neither files a federal return:

1. Their tax shall be determined on their joint Virginia taxable income; or
2. Separate taxes may be determined on their separate Virginia taxable incomes if they so elect, *and the family Virginia taxable income is less than or equal to \$100,000.*

CD. Where husband and wife have not separately reported and claimed items of income, exemptions and deductions for federal income tax purposes, and have not elected to file a joint Virginia income tax return, such items allowable for Virginia income tax purposes shall be allocated and adjusted as follows:

1. Income shall be allocated to the spouse who earned the income or with respect to whose property the income is attributable.
2. Allowable deductions with respect to trade, business, production of income, or employment shall be allocated to the spouse to whom attributable.
3. Nonbusiness deductions, where properly taken for federal income tax purposes, shall be allowable for Virginia income tax purposes, but shall be allocable between husband and wife as they may mutually agree. For this purpose, "nonbusiness deductions" consist of allowable deductions not described in subdivision 2 of this subsection.
4. Where the standard deduction or low income allowance is properly taken pursuant to subdivision D 1 a of § 58.1-322 such deduction or allowance shall be allocable between husband and wife as they may mutually agree.

5. Personal exemptions properly allowable for federal income tax purposes shall be allocated for Virginia income tax purposes as husband and wife may mutually agree; however, exemptions for taxpayer and spouse together with exemptions for old age and blindness must be allocated respectively to the spouse to whom they relate.

DE. Where allocations are permitted to be made under subsection ~~C~~D pursuant to agreement between husband and wife, and husband and wife have failed to agree as to those allocations, such allocations shall be made between husband and wife in a manner corresponding to the treatment for federal income tax purposes of the items involved, under regulations prescribed by the Department of Taxation.

§ 58.1-339.8. Income tax credit for low-income taxpayers.

A. As used in this section, unless the context requires otherwise:

“Family Virginia adjusted gross income” means the combined Virginia adjusted gross income of an individual, the individual’s spouse, and any person claimed as a dependent on the individual’s or his spouse’s income tax return for the taxable year.

“Poverty guidelines” means the poverty guidelines for the ~~forty-eight~~48 contiguous states and the District of Columbia updated annually in the Federal Register by the U.S. Department of Health and Human Services under the authority of § 673 (2) of the Omnibus Budget Reconciliation Act of 1981.

“Virginia adjusted gross income” has the same meaning as the term is defined in § 58.1-321.

B. 1. For taxable years beginning on and after January 1, 2000, any individual or persons filing a joint return whose family Virginia adjusted gross income does not exceed ~~one hundred~~100 percent of the poverty guideline amount corresponding to a household of an equal number of persons as listed in the poverty guidelines published during such taxable year, shall be allowed a credit against the tax levied pursuant to § 58.1-320 in an amount equal to \$300 each for the individual, the individual’s spouse, and any person claimed as a dependent on the individual’s or married persons’ income tax return for the taxable year. For any taxable year in which a husband and wife file separate Virginia income tax returns, the credit provided under this section shall be allowed against the tax for only one of such two tax returns. Additionally, the credit provided under this section shall not be allowed against such tax of a dependent of the individual or of married persons.

2. *For taxable years beginning on or after January 1, 2005, any individual or married persons, eligible for a tax credit pursuant to § 32 of the Internal Revenue Code, may for the taxable year, in lieu of the credit authorized under subdivision B 1, claim a credit against the tax imposed pursuant to § 58.1-320 in an amount equal to 20 percent of the credit claimed by the individual or married persons for federal individual income taxes pursuant to § 32 of the Internal Revenue Code for the taxable year. In no case shall a household be allowed a credit pursuant to this subdivision and subdivision B 1 for the same taxable year.*

For purpose of this subdivision, “household” means an individual and in the case of married persons, the individual and his spouse regardless of whether or not the individual and his spouse file combined or separate Virginia individual income tax returns.

C. The amount of the credit provided pursuant to ~~this section~~ *subsection B* for any taxable year shall not exceed the individual’s or married persons’ Virginia income tax liability.

D. Notwithstanding any other provision of this section, ~~such~~ *no* credit shall ~~not~~ be allowed *pursuant to subsection B* in any taxable year in which the individual, the individual’s spouse, or both, or any person claimed as a dependent on such individual’s or married persons’ income tax return, claims one or any combination of the following on his or their income tax return for such taxable year:

1. The subtraction under subdivision C 11 of § 58.1-322;
2. The subtraction under subdivision C 23 of § 58.1-322;
3. The subtraction under subdivision C 24 of § 58.1-322;
4. The deduction for the additional personal exemption for blind or aged taxpayers under subdivision D 2 ~~a-b~~ of § 58.1-322; or
5. The deduction under subdivision D 5 of § 58.1-322.

§ 58.1-341. Returns of individuals.

A. On or before May 1 of each year if an individual’s taxable year is the calendar year, or on or before the fifteenth day of the fourth month following the close of a taxable year other than the calendar year, an income tax return under this chapter shall be made and filed by or for:

1. Every resident individual, except as provided in § 58.1-321, required to file a federal income tax return for the taxable year, or having Virginia taxable income for the taxable year;
2. Every nonresident individual having Virginia taxable income for the taxable year, except as provided in § 58.1-321.

B. If the federal income tax liability of husband or wife is determined on a separate federal return, their Virginia income tax liabilities and returns shall be separate *except as provided under § 58.1-324*. If

the federal income tax liabilities of husband and wife (other than a husband and wife described in subdivision 2 of subsection A) are determined on a joint federal return, or if neither files a federal return:

1. They shall file a joint Virginia income tax return, and their tax liabilities shall be joint and several; or

2. They may elect to file separate Virginia income tax returns if they comply with the requirements of the Department in setting forth information (whether or not on a single form), in which event their tax liabilities shall be separate, *except as provided under § 58.1-324* or unless such husband and wife file separately on a combined return. The election permitted under this subsection may be made or changed at any time within three years from the last day prescribed by law for the timely filing of the return.

C. If either husband or wife is a resident and the other is a nonresident, they shall file separate Virginia income tax returns on such single or separate forms as may be required by the Department, in which event their tax liabilities shall be separate except as provided in subsection D, unless both elect to determine their joint Virginia taxable income as if both were residents, in which event their tax liabilities shall be joint and several.

D. If husband and wife file separate Virginia income tax returns on a single form pursuant to subsection B or C, and:

1. If the sum of the payments by either spouse, including withheld and estimated taxes, exceeds the amount of the tax for which such spouse is separately liable, the excess may be applied by the Department to the credit of the other spouse if the sum of the payments by such other spouse, including withheld and estimated taxes, is less than the amount of the tax for which such other spouse is separately liable;

2. If the sum of the payments made by both spouses with respect to the taxes for which they are separately liable, including withheld and estimated taxes, exceeds the total of the taxes due, refund of the excess may be made payable to both spouses.

The provisions of this subsection shall not apply if the return of either spouse includes a demand that any overpayment made by him or her shall be applied only on account of his or her separate liability.

E. The return for any deceased individual shall be made and filed by his executor, administrator, or other person charged with his property.

F. The return for an individual who is unable to make a return by reason of minority or other disability shall be made and filed by his guardian, committee, fiduciary or other person charged with the care of his person or property (other than a receiver in possession of only a part of his property), or by his duly authorized agent.

§ 58.1-390.1. Definitions.

The following words and terms, when used in this article, shall have the following meanings unless the context clearly indicates otherwise:

“Pass-through entity” means any entity, including a limited partnership, a limited liability partnership, a general partnership, a limited liability company, a professional limited liability company, a business trust or a Subchapter S corporation, that is recognized as a separate entity for federal income tax purposes, in which the partners, members or shareholders report their share of the income, gains, losses, deductions and credits from the entity on their federal income tax returns.

“Owner” means any individual or entity who is treated as a partner, member, or shareholder of a pass-through entity for federal income tax purposes.

§ 58.1-390.2. Taxation of pass-through entities.

Except as provided for in this article, owners of pass-through entities shall be liable for tax under this chapter only in their separate or individual capacities.

§ 58.1-391. Virginia taxable income of owners of a pass-through entity.

A. In determining Virginia taxable income of a partner an owner of a pass-through entity, any modification described in § 58.1-322 which that relates to an item of partnership pass-through entity income, gain, loss or deduction shall be made in accordance with the partner's owner's distributive share, for federal income tax purposes, of the item to which the modification relates. Where a partner's an owner's distributive share of any such item is not included in any category of income, gain, loss or deduction required to be taken into account separately for federal income tax purposes, the

partner's owner's distributive share of such item shall be determined in accordance with his distributive share, for federal income tax purposes, of partnership pass-through entity taxable income or loss.

B. Each item of partnership pass-through entity income, gain, loss or deduction shall have the same character for a partner an owner under this chapter as for federal income tax purposes. Where an item is not characterized for federal income tax purposes, it shall have the same character for a partner an owner as if realized directly from the source from which realized by the partnership pass-through entity or incurred in the same manner by the partnership pass-through entity.

C. Where a partner's an owner's distributive shares of an item of partnership pass-through entity income, gain, loss or deduction is determined for federal income tax purposes by special provision in the partnership pass-through entity agreement with respect to such item, and where the principal purpose of such provision is the avoidance or evasion of tax under this chapter, the partner's owner's distributive share of such item, and any modification required with respect thereto, shall be determined as if the partnership pass-through entity agreement made no special provision with respect to such item.

§ 58.1-392. Reports by pass-through entities.

~~No report shall be required to be filed with the Department of Taxation by any partnership organized under the laws of the Commonwealth or having income from Virginia sources. However, the Tax Commissioner shall have the authority to promulgate regulations requiring that partnerships furnish copies of federal partnership returns and attached schedules or any other information which he deems necessary. In promulgating such regulations, the Tax Commissioner may prescribe the imposition of a penalty in the amount of \$100 for failure to comply, within a reasonable time, to the request for information as set forth therein.~~

A. Every pass-through entity doing business in Virginia, or having income from Virginia sources, shall make a return to the Department of Taxation on or before the fifteenth day of the fourth month following the close of its taxable year. Such returns shall be made and filed in the manner prescribed by the Department.

B. The return of a pass-through entity shall be signed by any one of the owners. An owner's name signed on the return shall be prima facie evidence that such owner is authorized to sign the return on behalf of the pass-through entity.

C. The Tax Commissioner may establish an income threshold for the filing of returns by pass-through entities and their owners. Pass-through entities and owners with income below this threshold shall not be required to file a return.

D. Receivers, trustees in dissolution, trustees in bankruptcy, and assignees operating the property or business of pass-through entities must make and file returns of income for such pass-through entities. If a receiver has full custody of and control over the business or property of a pass-through entity, he shall be deemed to be operating such business or property, whether he is engaged in carrying on the business for which the pass-through entity was organized or only in marshaling, selling, or disposing of its assets for purposes of liquidation.

E. Pass-through entities may be required to file the return using an electronic medium prescribed by the Tax Commissioner. The Tax Commissioner shall establish a minimum number of owners for the electronic filing requirement. Waivers shall be granted only if the Tax Commissioner finds that the requirement creates an unreasonable burden on the pass-through entity. All requests for waivers must be submitted to the Tax Commissioner in writing. Pass-through entities that have fewer than the established minimum number of owners may, at such pass-through entity's option, file such annual return on such prescribed electronic medium in lieu of filing the annual return on paper.

§ 58.1-393.1. Extension of time for filing return by pass-through entity.

A. Whenever any pass-through entity has been allowed or granted an extension of time within which to file any federal report of its income for any taxable year, the due date for the filing of the report or return required by this article shall be extended to the date six months after such due date, or 30 days after the extended date for filing the federal report, whichever is later.

B. In addition, the Department may grant an extension or extensions of time not to exceed a maximum of six months beyond the due date required by this article for filing such pass-through entity return.

§ 58.1-394.1. Failure of pass-through entity to make a return.

A. Any pass-through entity that fails to file a return required by this article within the time required shall be liable for a penalty of \$200 if the failure is for not more than one month, with an additional \$200 for each additional month or fraction thereof during which such failure to file continues, not exceeding six months in the aggregate. In no case, however, shall the penalty be less than \$200.

B. If any pass-through entity's failure to file a return required by this article exceeds six months, the Department shall assess a penalty of six percent of the total amount of Virginia taxable income derived by its owners from the pass-through entity for the taxable year. The Department may determine such penalty from any information in its possession. The penalty assessed pursuant to this subsection shall be reduced by the penalty assessed pursuant to subsection A and any tax paid by the owners on their share of income from the pass-through entity for the taxable year.

C. The penalties set forth in this subsection shall be assessed and collected by the Department in the manner provided for the assessment and collection of taxes under this chapter or in a civil action, at the instance of the Department. In addition, such pass-through entity shall be compellable by mandamus to file such return.

§ 58.1-394.2. Fraudulent returns, etc., of pass-through entities; penalty.

A. Any officer or owner of any pass-through entity who makes a fraudulent return or statement with the intent of assisting or facilitating the evasion of the payment of the taxes prescribed by this chapter by the pass-through entity or an owner shall be liable for a penalty of not more than \$1,000, to be assessed and collected in the manner provided for the assessment and collection of taxes under this chapter or in a civil action, at the instance of the Department.

B. In addition to other penalties provided by law, any officer or owner of a pass-through entity who makes a fraudulent return or statement with the intent of assisting or facilitating the evasion of the payment of the taxes prescribed by this chapter by the pass-through entity or an owner, or who willfully fails or refuses to make a return required by this chapter at the time or times required by law shall be guilty of a Class 1 misdemeanor. A prosecution under this section shall be commenced within five years next after the commission of the offense.

§ 58.1-395. Nonresident owners.

Pass-through entities may make written application to the Tax Commissioner for permission to file a statement of combined pass-through entity income attributable to nonresident owners and thereby relieve nonresident owners from filing individual nonresident returns. The application must state the reasons for seeking such permission. The Tax Commissioner, in his sole discretion, may, for good cause, grant permission to file a combined nonresident return upon such terms as he may determine.

§ 58.1-402. Virginia taxable income.

A. For purposes of this article, Virginia taxable income for a taxable year means the federal taxable income and any other income taxable to the corporation under federal law for such year of a corporation adjusted as provided in subsections B, C and D.

For a regulated investment company and a real estate investment trust, such term means the "investment company taxable income" and "real estate investment trust taxable income," respectively, to which shall be added in each case any amount of capital gains and any other income taxable to the corporation under federal law which shall be further adjusted as provided in subsections B, C and D.

B. There shall be added to the extent excluded from federal taxable income:

1. Interest, less related expenses to the extent not deducted in determining federal taxable income, on obligations of any state other than Virginia, or of a political subdivision of any such other state unless created by compact or agreement to which the Commonwealth is a party;

2. Interest or dividends, less related expenses to the extent not deducted in determining federal taxable income, on obligations or securities of any authority, commission or instrumentality of the United States, which the laws of the United States exempt from federal income tax but not from state income taxes;

3. [Repealed.]

4. The amount of any net income taxes and other taxes, including franchise and excise taxes, which are based on, measured by, or computed with reference to net income, imposed by the Commonwealth or any other taxing jurisdiction, to the extent deducted in determining federal taxable income;

5. Unrelated business taxable income as defined by § 512 of the Internal Revenue Code;

6. The amount of employee stock ownership credit carry-over deducted by the corporation in computing federal taxable income under § 404 (i) of the Internal Revenue Code;

7. The amount required to be included in income for the purpose of computing the partial tax on an accumulation distribution pursuant to § 667 of the Internal Revenue Code.

8. *a. For taxable years beginning on or after January 1, 2004, the amount of any interest expenses and costs and intangible expenses and costs directly or indirectly paid, accrued, or incurred to, or in connection directly or indirectly with one or more direct or indirect transactions with one or more related members to the extent such expenses and costs were deductible or deducted in computing federal taxable income for Virginia purposes. This addition shall not be required for any portion of the interest expenses and costs and intangible expenses and costs if one of the following applies:*

1. The corresponding item of income received by the related member is subject to a tax based on or measured by net income imposed by Virginia, another state, or a foreign government that has entered into a comprehensive tax treaty with the United States government, or

2. The corporation can establish to the satisfaction of the Tax Commissioner that the interest expenses and costs and intangible expenses and costs meet both of the following: (i) the related member during the same taxable year directly or indirectly paid, accrued or incurred such portion to a person who is not a related member; and (ii) the transaction giving rise to the interest expenses and costs or the intangible expenses and costs between the corporation and the related member did not have as a principal purpose the avoidance of any portion of the tax due under this chapter.

b. Nothing in this subdivision shall be construed to limit or negate the Department's authority under § 58.1-446.

C. There shall be subtracted to the extent included in and not otherwise subtracted from federal taxable income:

1. Income derived from obligations, or on the sale or exchange of obligations, of the United States and on obligations or securities of any authority, commission or instrumentality of the United States to the extent exempt from state income taxes under the laws of the United States including, but not limited to, stocks, bonds, treasury bills, and treasury notes, but not including interest on refunds of federal taxes, interest on equipment purchase contracts, or interest on other normal business transactions.

2. Income derived from obligations, or on the sale or exchange of obligations of this Commonwealth or of any political subdivision or instrumentality of this Commonwealth.

3. Dividends upon stock in any domestic international sales corporation, as defined by § 992 of the Internal Revenue Code, 50 percent or more of the income of which was assessable for the preceding year, or the last year in which such corporation has income, under the provisions of the income tax laws of the Commonwealth.

4. The amount of any refund or credit for overpayment of income taxes imposed by this Commonwealth or any other taxing jurisdiction.

5. Any amount included therein by the operation of the provisions of § 78 of the Internal Revenue Code (foreign dividend gross-up).

6. The amount of wages or salaries eligible for the federal Targeted Jobs Credit which was not deducted for federal purposes on account of the provisions of § 280C (a) of the Internal Revenue Code.

7. Any amount included therein by the operation of § 951 of the Internal Revenue Code (subpart F income).

8. Any amount included therein which is foreign source income as defined in § 58.1-302.

9. [Repealed.]

10. The amount of any dividends received from corporations in which the taxpaying corporation owns 50 percent or more of the voting stock.

11. [Repealed.]

12. [Expired.]

13. (Expires for taxable years beginning on and after January 1, 2004) The amount of any qualified agricultural contribution as determined in § 58.1-322.2.

14. For taxable years beginning on or after January 1, 1995, the amount for “qualified research expenses” or “basic research expenses” eligible for deduction for federal purposes, but which were not deducted, on account of the provisions of § 280C (c) of the Internal Revenue Code.

15. For taxable years beginning on or after January 1, 2000, the total amount actually contributed in funds to the Virginia Public School Construction Grants Program and Fund established in Chapter 11.1 (§ 22.1-175.1 et seq.) of Title 22.1.

16. For taxable years beginning on or after January 1, 2000, the gain derived from the sale or exchange of real property or the sale or exchange of an easement to real property which results in the real property or the easement thereto being devoted to open-space use, as that term is defined in § 58.1-3230, for a period of time not less than 30 years. To the extent a subtraction is taken in accordance with this subdivision, no tax credit under this chapter for donating land for its preservation shall be allowed for three years following the year in which the subtraction is taken.

17. For taxable years beginning on and after January 1, 2001, any amount included therein with respect to § 58.1-440.1.

18. For taxable years beginning on and after January 1, 1999, income received as a result of (i) the “Master Settlement Agreement,” as defined in § 3.1-1106; (ii) the National Tobacco Grower Settlement Trust dated July 19, 1999; and (iii) the Tobacco Loss Assistance Program, pursuant to 7 C.F.R. Part 1464 (Subpart C, §§ 1464.201 through 1464.205), by (a) tobacco farming businesses; (b) any business holding a tobacco marketing quota, or tobacco farm acreage allotment, under the Agricultural Adjustment Act of 1938; or (c) any business having the right to grow tobacco pursuant to such a quota allotment.

19. Effective for all taxable years beginning on and after January 1, 2002, but before January 1, 2005, the indemnification payments received by contract poultry growers and table egg producers from the U.S. Department of Agriculture as a result of the depopulation of poultry flocks because of low pathogenic avian influenza in 2002. In no event shall indemnification payments made to owners of poultry who contract with poultry growers qualify for this subtraction.

20. For taxable years beginning on and after January 1, 2002, any gain recognized as a result of the Peanut Quota Buyout Program of the Farm Security and Rural Investment Act of 2002 pursuant to 7 C.F.R. Part 1412 (Subpart H, §§ 1412.801 through 1412.811) as follows:

a. If the payment is received in installment payments pursuant to 7 C.F.R. § 1412.807(a)(2), then the entire gain recognized may be subtracted.

b. If the payment is received in a single payment pursuant to 7 C.F.R. § 1412.807(a)(3), then 20 percent of the recognized gain may be subtracted. The taxpayer may then deduct an equal amount in each of the four succeeding taxable years.

D. Adjustments to federal taxable income shall be made to reflect the transitional modifications provided in § 58.1-315.

§ 58.1-415. When sales of tangible personal property deemed in the Commonwealth.

Sales of tangible personal property are in the Commonwealth if (i) such property is received in the Commonwealth by the purchaser, or (ii) *the property is shipped from an office, store, warehouse, factory, or place of storage in the Commonwealth; and the taxpayer is not taxable in the state of the purchaser.* In the case of delivery by common carrier or other means of transportation, the place at which such property is ultimately received after all transportation has been completed shall be considered as the place at which such property is received by the purchaser. Direct delivery in the Commonwealth, other than for purposes of transportation, to a person or firm designated by a purchaser, constitutes delivery to the purchaser in the Commonwealth, and direct delivery outside the Commonwealth to a person or firm designated by the purchaser does not constitute delivery to the purchaser in the Commonwealth, regardless of where title passes, or other conditions of sale.

§ 58.1-441. Reports by corporations.

A. Every corporation organized under the laws of the Commonwealth, or having income from Virginia sources, *other than a Subchapter S corporation subject to the return filing requirements of § 58.1-392*, shall make a report to the Department on or before the fifteenth day of the fourth month

following the close of its taxable year. Such reports shall be made on forms prescribed by the Department and shall contain such information, including the gross receipts from any business carried on in the Commonwealth and a depreciation schedule of property used in such trade or business, as may be necessary for the proper enforcement of this chapter and be accompanied by a copy of any federal tax return or report filed for such taxable year. The Department shall not require any nonprofit organization created exclusively to assist a law-enforcement official or agency in apprehending and convicting perpetrators of crimes, to report on such returns, or otherwise, the names of individuals or amounts paid to such individuals by the organization for providing information about certain crimes.

Receivers, trustees in dissolution, trustees in bankruptcy, and assignees, operating the property or business of corporations must make returns of income for such corporations. If a receiver has full custody of and control over the business or property of a corporation, he shall be deemed to be operating such business or property, whether he is engaged in carrying on the business for which the corporation was organized or only in marshaling, selling, or disposing of its assets for purposes of liquidation.

B. Notwithstanding the provisions of subsection A, every organization to whom subdivision 5 of § 58.1-401 applies, and having unrelated business taxable income or other taxable income, shall make a report to the Department on or before the fifteenth day of the sixth month following the close of the organization's taxable year.

§ 58.1-520. Definitions.

As used in this article:

“Claimant agency” means any administrative unit of state, county, city or town government, including department, institution, commission, authority, or the office of Executive Secretary of the Supreme Court, any circuit or district court and the Internal Revenue Service. All state agencies and institutions shall participate in the setoff program.

“Debtor” means any individual having a delinquent debt or account with any claimant agency which obligation has not been satisfied by court order, set aside by court order, or discharged in bankruptcy.

“Delinquent debt” means any liquidated sum due and owing any claimant agency, or any restitution ordered paid to a clerk of the court pursuant to Title 19.2, including any amount of court costs or fines which have accrued through contract, subrogation, tort, operation of law, or any other legal theory regardless of whether there is an outstanding judgment for that sum which is legally collectible and for which a collection effort has been or is being made.

“Mailing date of notice” means the date of notice appearing thereon.

“Refund” means any individual's Virginia state or local income tax refund payable pursuant to §§ 58.1-309 and 58.1-546. This term also includes any refund belonging to a debtor resulting from the filing of a joint income tax return or a refund belonging to a debtor resulting from the filing of a return where husband and wife have elected to file a combined return and separately state their Virginia taxable incomes under the provisions of ~~§ 58.1-324 B-2~~ *subdivision C 2 of § 58.1-324.*

§ 58.1-603. Imposition of sales tax.

There is hereby levied and imposed, in addition to all other taxes and fees of every kind now imposed by law, a license or privilege tax upon every person who engages in the business of selling at retail or distributing tangible personal property in this Commonwealth, or who rents or furnishes any of the things or services taxable under this chapter, or who stores for use or consumption in this Commonwealth any item or article of tangible personal property as defined in this chapter, or who leases or rents such property within this Commonwealth, in the amount of ~~three~~ *four* and one-half percent:

1. Of the gross sales price of each item or article of tangible personal property when sold at retail or distributed in this Commonwealth.

2. Of the gross proceeds derived from the lease or rental of tangible personal property, where the lease or rental of such property is an established business, or part of an established business, or the same is incidental or germane to such business.

3. Of the cost price of each item or article of tangible personal property stored in this Commonwealth for use or consumption in this Commonwealth.

4. Of the gross proceeds derived from the sale or charges for rooms, lodgings or accommodations furnished to transients as set out in the definition of “retail sale” in § 58.1-602.

5. Of the gross sales of any services which are expressly stated as taxable within this chapter.

§ 58.1-604. Imposition of use tax.

There is hereby levied and imposed, in addition to all other taxes and fees now imposed by law, a tax upon the use or consumption of tangible personal property in this Commonwealth, or the storage of such property outside the Commonwealth for use or consumption in this Commonwealth, in the amount of ~~three-four~~ and one-half percent:

1. Of the cost price of each item or article of tangible personal property used or consumed in this Commonwealth. Tangible personal property which has been acquired for use outside this Commonwealth and subsequently becomes subject to the tax imposed hereunder shall be taxed on the basis of its cost price if such property is brought within this Commonwealth for use within six months of its acquisition; but if so brought within this Commonwealth six months or more after its acquisition, such property shall be taxed on the basis of the current market value (but not in excess of its cost price) of such property at the time of its first use within this Commonwealth. Such tax shall be based on such proportion of the cost price or current market value as the duration of time of use within this Commonwealth bears to the total useful life of such property (but it shall be presumed in all cases that such property will remain within this Commonwealth for the remainder of its useful life unless convincing evidence is provided to the contrary).

2. Of the cost price of each item or article of tangible personal property stored outside this Commonwealth for use or consumption in this Commonwealth.

3. A transaction taxed under § 58.1-603 shall not also be taxed under this section, nor shall the same transaction be taxed more than once under either section.

4. The use tax shall not apply with respect to the use of any article of tangible personal property brought into this Commonwealth by a nonresident individual, visiting in Virginia, for his personal use, while within this Commonwealth.

5. The use tax shall not apply to out-of-state mail order catalog purchases totaling \$100 or less during any calendar year.

§ 58.1-604.1. Use tax on motor vehicles, machinery, tools and equipment brought into Virginia for use in performing contracts.

In addition to the use tax levied pursuant to § 58.1-604 and notwithstanding the provisions of § 58.1-611, a use tax is levied upon the storage or use of all motor vehicles, machines, machinery, tools or other equipment brought, imported or caused to be brought into this Commonwealth for use in constructing, building or repairing any building, highway, street, sidewalk, bridge, culvert, sewer or water system, drainage or dredging system, railway system, reservoir or dam, hydraulic or power plant, transmission line, tower, dock, wharf, excavation, grading, or other improvement or structure, or any part thereof. The rate of tax is ~~three-four~~ and one-half percent on all tangible personal property except motor vehicles, which shall be taxed at the rate of ~~three-four and one-half~~ percent; aircraft, which shall be taxed at the rate of two percent; and watercraft, which shall be taxed at the rate of two percent with a maximum tax of \$1,000.

For purposes of this section the words "motor vehicle" means any vehicle which is self-propelled and designed primarily for use upon the highways, any vehicle which is propelled by electric power obtained from trolley wires but not operated upon rails, and any vehicle designed to run upon the highways which is pulled by a self-propelled vehicle, but shall not include any implement of husbandry, farm tractor, road construction or maintenance machinery or equipment, special mobile equipment or any vehicle designed primarily for use in work off the highway.

The tax shall be computed on the basis of such proportion of the original purchase price of such property as the duration of time of use in this Commonwealth bears to the total useful life thereof. For purposes of this section, the word "use" means use, storage, consumption and "stand-by" time occasioned by weather conditions, controversies or other causes. The tax shall be computed upon the basis of the relative time each item of equipment is in this Commonwealth rather than upon the basis of actual use. In the absence of satisfactory evidence as to the period of use intended in this Commonwealth, it will be presumed that such property will remain in this Commonwealth for the remainder of its useful life, which

shall be determined in accordance with the experiences and practices of the building and construction trades.

A transaction taxed under §§ 58.1-604, 58.1-605, 58.1-1402, 58.1-1502, or § 58.1-2402 shall not also be taxed under this section, nor shall the same transaction be taxed more than once under any section.

§ 58.1-608.3. Entitlement to certain sales tax revenues.

A. As used in this section, the following words and terms have the following meanings, unless some other meaning is plainly intended:

“Bonds” means any obligations of a municipality for the payment of money.

“Cost,” as applied to any public facility or to extensions or additions to any public facility, includes: (i) the purchase price of any public facility acquired by the municipality or the cost of acquiring all of the capital stock of the corporation owning the public facility and the amount to be paid to discharge any obligations in order to vest title to the public facility or any part of it in the municipality; (ii) expenses incident to determining the feasibility or practicability of the public facility; (iii) the cost of plans and specifications, surveys and estimates of costs and of revenues; (iv) the cost of all land, property, rights, easements and franchises acquired; (v) the cost of improvements, property or equipment; (vi) the cost of engineering, legal and other professional services; (vii) the cost of construction or reconstruction; (viii) the cost of all labor, materials, machinery and equipment; (ix) financing charges; (x) interest before and during construction and for up to one year after completion of construction; (xi) start-up costs and operating capital; (xii) payments by a municipality of its share of the cost of any multi-jurisdictional public facility; (xiii) administrative expense; (xiv) any amounts to be deposited to reserve or replacement funds; and (xv) other expenses as may be necessary or incident to the financing of the public facility. Any obligation or expense incurred by the public facility in connection with any of the foregoing items of cost may be regarded as a part of the cost.

“Municipality” means any county, city, town, authority, commission, or other public entity.

“Public facility” means (i) any auditorium, coliseum, convention center, or conference center, which is owned by a Virginia county, city, town, authority, or other public entity and where exhibits, meetings, conferences, conventions, seminars, or similar public events may be conducted; (ii) any hotel which is owned by a foundation whose sole purpose is to benefit a state-supported university and which is attached to and is an integral part of such facility, together with any lands reasonably necessary for the conduct of the operation of such events; or (iii) any hotel which is attached to and is an integral part of such facility. However, such public facility must be located in a city with a population of at least 24,200 but no more than 24,500 as determined by the 1990 United States Census, at least 50,000 but no more than 52,500, at least 95,000 but no more than 105,000, or at least 130,000 but no more than 135,000. Any property, real, personal, or mixed, which is necessary or desirable in connection with any such auditorium, coliseum, convention center, or conference center, including, without limitation, facilities for food preparation and serving, parking facilities, and administration offices, is encompassed within this definition. However, structures commonly referred to as “shopping centers” or “malls” shall not constitute a public facility hereunder. In addition, only a new public facility, or a public facility which will undergo a substantial and significant renovation or expansion, shall be eligible under subsection B of this section. A new public facility is one whose construction began after December 31, 1991. A substantial and significant renovation entails a project whose cost is at least fifty percent of the original cost of the facility being renovated and shall have begun after December 31, 1991. A substantial and significant expansion entails an increase in floor space of at least fifty percent over that existing in the preexisting facility and shall have begun after December 31, 1991.

“Sales tax revenues” means such tax collections realized under the Virginia Retail Sales and Use Tax Act (§ 58.1-600 et seq.) of Title 58.1, as limited herein. “Sales tax revenues” does not include the revenue generated by the one-half percent sales and use tax increase enacted by the 1986 Special Session of the General Assembly which shall be paid to the Transportation Trust Fund as defined in § 33.1-23.03:1 *as computed pursuant to subsection A of § 58.1-638*, nor shall it include the one percent of the state sales and use tax revenue distributed among the counties and cities of the Commonwealth pursuant to § 58.1-638 D on the basis of school age population. *Sales tax revenues shall also not include the revenue*

generated by the one percent sales and use tax increase enacted by the 2004 Session of the General Assembly.

B. Any municipality which has issued bonds (i) after December 31, 1991, but before January 1, 1996, (ii) on or after January 1, 1998, but before July 1, 1999, (iii) on or after January 1, 1999, but before July 1, 2001, (iv) on or after July 1, 2000, but before July 1, 2003, or (v) on or after July 1, 2001, but before July 1, 2004, to pay the cost, or portion thereof, of any public facility shall be entitled to all sales tax revenues generated by transactions taking place in such public facility. Such entitlement shall continue for the lifetime of such bonds, which entitlement shall not exceed ~~thirty~~ 30 years, and all such sales tax revenues shall be applied to repayment of the bonds. The State Comptroller shall remit such sales tax revenues to the municipality on a quarterly basis, subject to such reasonable processing delays as may be required by the Department of Taxation to calculate the actual net sales tax revenues derived from the public facility. The State Comptroller shall make such remittances to eligible municipalities, as provided herein, notwithstanding any provisions to the contrary in the Virginia Retail Sales and Use Tax Act (§ 58.1-600 et seq.). No such remittances shall be made until construction is completed and, in the case of a renovation or expansion, until the governing body of the municipality has certified that the renovation or expansion is completed.

C. Nothing in this section shall be construed as authorizing the pledging of the faith and credit of the Commonwealth of Virginia, or any of its revenues, for the payment of any bonds. Any appropriation made pursuant to this section shall be made only from sales tax revenues derived from the public facility for which bonds may have been issued to pay the cost, in whole or in part, of such public facility.

§ 58.1-609.3. Commercial and industrial exemptions.

The tax imposed by this chapter or pursuant to the authority granted in §§ 58.1-605 and 58.1-606 shall not apply to the following:

1. Personal property purchased by a contractor which is used solely in another state or in a foreign country, which could be purchased by such contractor for such use free from sales tax in such other state or foreign country, and which is stored temporarily in Virginia pending shipment to such state or country.

2. (i) Industrial materials for future processing, manufacturing, refining, or conversion into articles of tangible personal property for resale where such industrial materials either enter into the production of or become a component part of the finished product; (ii) industrial materials that are coated upon or impregnated into the product at any stage of its being processed, manufactured, refined, or converted for resale; (iii) machinery or tools or repair parts therefor or replacements thereof, fuel, power, energy, or supplies, used directly in processing, manufacturing, refining, mining or converting products for sale or resale; (iv) materials, containers, labels, sacks, cans, boxes, drums or bags for future use for packaging tangible personal property for shipment or sale; or (v) equipment, printing or supplies used directly to produce a publication described in subdivision 3 of § 58.1-609.6 whether it is ultimately sold at retail or for resale or distribution at no cost. Machinery, tools and equipment, or repair parts therefor or replacements thereof, shall be exempt if the preponderance of their use is directly in processing, manufacturing, refining, mining or converting products for sale or resale. The provisions of this subsection do not apply to the drilling, extraction, refining, or processing of oil, gas, natural gas and coalbed methane gas.

3. Tangible personal property sold or leased to (i) a public service corporation subject to a state franchise or license tax upon gross receipts, (ii) a telecommunications company as defined in § 58.1-400.1 or (iii) a telephone company chartered in the Commonwealth which is exclusively a local mutual association and is not designated to accumulate profits for the benefit of, or to pay dividends to, the stockholders or members thereof, for use or consumption by such corporation, company, person or mutual association directly in the rendition of its public service; and tangible personal property sold or leased to a public service corporation engaged in business as a common carrier of property or passengers by ~~motor vehicle or~~ railway, for use or consumption by such common carrier directly in the rendition of its public service.

4. Ships or vessels, or repairs and alterations thereof, used or to be used exclusively or principally in interstate or foreign commerce; fuel and supplies for use or consumption aboard ships or vessels plying the high seas, either in intercoastal trade between ports in the Commonwealth and ports in other states of

the United States or its territories or possessions, or in foreign commerce between ports in the Commonwealth and ports in foreign countries, when delivered directly to such ships or vessels; or tangible personal property used directly in the building, conversion or repair of the ships or vessels covered by this subdivision. This exemption shall include dredges, their supporting equipment, attendant vessels, and fuel and supplies for use or consumption aboard such vessels, provided the dredges are used exclusively or principally in interstate or foreign commerce.

5. Tangible personal property purchased for use or consumption directly and exclusively in basic research or research and development in the experimental or laboratory sense.

6. Tangible personal property sold or leased to an airline operating in intrastate, interstate or foreign commerce as a common carrier providing scheduled air service on a continuing basis to one or more Virginia airports at least one day per week, for use or consumption by such airline directly in the rendition of its common carrier service.

7. Meals furnished by restaurants or food service operators to employees as a part of wages.

8. Tangible personal property including machinery and tools, repair parts or replacements thereof, and supplies and materials used directly in maintaining and preparing textile products for rental or leasing by an industrial processor engaged in the commercial leasing or renting of laundered textile products.

9. (i) Certified pollution control equipment and facilities as defined in § 58.1-3660, except for any equipment that has not been certified to the Department of Taxation by a state certifying authority pursuant to such section and (ii) effective retroactive to July 1, 1994, and ending July 1, 2006, certified pollution control equipment and facilities as defined in § 58.1-3660 and which, in accordance with such section, have been certified by the Department of Mines, Minerals and Energy for coal, oil and gas production, including gas, natural gas, and coalbed methane gas.

10. Parts, tires, meters and dispatch radios sold or leased to taxicab operators for use or consumption directly in the rendition of their services.

11. High speed electrostatic duplicators or any other duplicators which have a printing capacity of 4,000 impressions or more per hour purchased or leased by persons engaged primarily in the printing or photocopying of products for sale or resale.

12. From July 1, 1994, and ending July 1, 2006, raw materials, fuel, power, energy, supplies, machinery or tools or repair parts therefor or replacements thereof, used directly in the drilling, extraction, refining, or processing of natural gas or oil and the reclamation of the well area. For the purposes of this section, the term "natural gas" shall mean "gas," "natural gas," and "coalbed methane gas" as defined in § 45.1-361.1. For the purposes of this section, "drilling," "extraction," "refining," and "processing" shall include production, inspection, testing, dewatering, dehydration, or distillation of raw natural gas into a usable condition consistent with commercial practices, and the gathering and transportation of raw natural gas to a facility wherein the gas is converted into such a usable condition. Machinery, tools and equipment, or repair parts therefor or replacements thereof, shall be exempt if the preponderance of their use is directly in the drilling, extraction, refining, or processing of natural gas or oil for sale or resale, or in well area reclamation activities required by state or federal law.

13. Beginning July 1, 1997, and ending July 1, 2011, (i) the sale, lease, use, storage, consumption, or distribution of an orbital or suborbital space facility, space propulsion system, space vehicle, satellite, or space station of any kind possessing space flight capability, including the components thereof, irrespective of whether such facility, system, vehicle, satellite, or station is returned to this Commonwealth for subsequent use, storage or consumption in any manner when used to conduct spaceport activities; (ii) the sale, lease, use, storage, consumption or distribution of tangible personal property placed on or used aboard any orbital or suborbital space facility, space propulsion system, space vehicle, satellite or space station of any kind, irrespective of whether such tangible personal property is returned to this Commonwealth for subsequent use, storage or consumption in any manner when used to conduct spaceport activities; (iii) fuels of such quality not adapted for use in ordinary vehicles, being produced for, sold and exclusively used for space flight when used to conduct spaceport activities; (iv) the sale, lease, use, storage, consumption or distribution of machinery and equipment purchased, sold, leased, rented or used exclusively for spaceport activities and the sale of goods and services provided to

operate and maintain launch facilities, launch equipment, payload processing facilities and payload processing equipment used to conduct spaceport activities.

For purposes of this subdivision, "spaceport activities" means activities directed or sponsored at a facility owned, leased, or operated by or on behalf of the Virginia Commercial Space Flight Authority.

The exemptions provided by this subdivision shall not be denied by reason of a failure, postponement or cancellation of a launch of any orbital or suborbital space facility, space propulsion system, space vehicle, satellite or space station of any kind or the destruction of any launch vehicle or any components thereof.

§ 58.1-611.1. Rate of tax on sales of food purchased for human consumption.

A. ~~Subject to the conditions of subsections D and E, the~~ Tax imposed by §§ 58.1-603 and 58.1-604 on food purchased for human consumption shall be levied and distributed as follows:

1. From January 1, 2000, through ~~March 31, 2001~~ *midnight on June 30, 2004*, the tax rate on such food shall be three percent of the gross sales price. The revenue from the tax shall be distributed as follows: (i) the revenue from the tax at the rate of one-half percent shall be distributed as provided in subsection A of § 58.1-638 *as such subsection existed prior to July 1, 2004, in accordance with the law in effect at the relevant time*, (ii) the revenue from the tax at the rate of one percent shall be distributed as provided in subsections B, C and D of § 58.1-638, and (iii) the revenue from the tax at the rate of one and one-half percent shall be used for general fund purposes.

2. ~~From April 1, 2001, through March 31, 2002, the tax rate on such food shall be two and one-half percent of the gross sales price. The revenue from the tax shall be distributed as follows: (i) the revenue from the tax at the rate of one-half percent shall be distributed as provided in subsection A of § 58.1-638, (ii) the revenue from the tax at the rate of one percent shall be distributed as provided in subsections B, C and D of § 58.1-638, and (iii) the revenue from the tax at the rate of one percent shall be used for general fund purposes.~~

3. ~~From April 1, 2002, through March 31, 2003, the tax rate on such food shall be two percent of the gross sales price. The revenue from the tax shall be distributed as follows: (i) the revenue from the tax at the rate of one-half percent shall be distributed as provided in subsection A of § 58.1-638, (ii) the revenue from the tax at the rate of one percent shall be distributed as provided in subsections B, C and D of § 58.1-638, and (iii) the revenue from the tax at the rate of one-half percent shall be used for general fund purposes.~~

4. ~~On and after April 1, 2003, On and after July 1, 2004, the tax rate on such food shall be one and one-half percent of the gross sales price. The revenue from the tax shall be distributed as follows: (i) the revenue from the tax at the rate of one-half percent shall be distributed as provided in subsection A of § 58.1-638 and (ii) the revenue from the tax at the rate of one percent shall be distributed as provided in subsections B, C and D of § 58.1-638.~~

B. The provisions of this section shall not affect the imposition of tax on food purchased for human consumption pursuant to §§ 58.1-605 and 58.1-606.

C. As used in this section, "food purchased for human consumption" has the same meaning as "food" defined in the Food Stamp Act of 1977, 7 U.S.C. § 2012, as amended, and federal regulations adopted pursuant to that Act, except it shall not include seeds and plants which produce food for human consumption. For the purpose of this section, "food purchased for human consumption" shall not include food sold by any retail establishment where the gross receipts derived from the sale of food prepared by such retail establishment for immediate consumption on or off the premises of the retail establishment constitutes more than 80 percent of the total gross receipts of that retail establishment, including but not limited to motor fuel purchases, regardless of whether such prepared food is consumed on the premises of that retail establishment. For purposes of this section, "retail establishment" means each place of business for which any "dealer," as defined in § 58.1-612, is required to apply for and receive a certificate of registration pursuant to § 58.1-613.

D. ~~Notwithstanding the tax rates set forth in subsection A, the rate of tax on sales of food purchased for human consumption for any 12-month period beginning on or after April 1, 2001, shall not be reduced below the rate then in effect for the Commonwealth's current fiscal year if:~~

~~1. Actual general fund revenues for the fiscal year preceding a fiscal year in which a rate reduction is contemplated in subsection A do not exceed the official general fund revenue estimates for such preceding fiscal year, as estimated in the most recently enacted and approved general appropriation act, by at least one percent; or~~

~~2. Any of the events listed in subsection C of § 58.1-3524 or subsection B of § 58.1-3536 have occurred during the then current fiscal year.~~

~~E. If the tax rate on food purchased for human consumption remains the same for the period January 1, 2000, through March 31, 2001, and the subsequent 12-month period beginning on April 1, 2001, or with respect to any consecutive 12-month periods beginning on and after April 1, 2001, the tax rate on such food shall remain the same unless none of the conditions described in subsection D have occurred, in which event the tax rate on food purchased for human consumption for the immediately following 12-month period shall be equal to the next lowest tax rate listed in subsection A.~~

§ 58.1-614. Vending machine sales.

A. Notwithstanding the provisions of §§ 58.1-603 and 58.1-604, whenever a dealer makes sales of tangible personal property through vending machines, or in any other manner making collection of the tax impractical, as determined by the Tax Commissioner, such dealer shall be required to report his wholesale purchases for sale at retail from vending machines and shall be required to remit an amount based on ~~four~~-five and one-half percent of such wholesale purchases.

B. Notwithstanding the provisions of §§ 58.1-605 and 58.1-606, dealers making sales of tangible personal property through vending machines shall report and remit the one percent local sales and use tax computed as provided in subsection A of this section.

C. The provisions of subsections A and B of this section shall not be applicable to vending machine operators all of whose machines are under contract to nonprofit organizations. Such operators shall report only the gross receipts from machines selling items for more than ~~ten~~10 cents and shall be required to remit an amount based on a percentage of their remaining gross sales established by the Tax Commissioner to take into account the inclusion of sales tax.

D. Notwithstanding any other provisions in this section or § 58.1-628, when the Tax Commissioner determines that it is impractical to collect the tax in the manner provided by those sections, such dealer shall be required to remit an amount based on a percentage of gross receipts which takes into account the inclusion of the sales tax.

E. The provisions of this section shall not be applicable to any dealer who fails to maintain records satisfactory to the Tax Commissioner. A dealer making sales of tangible personal property through vending machines shall obtain a certificate of registration under § 58.1-613 in relevant form for each county or city in which he has machines.

§ 58.1-615. Returns by dealers.

A. Every dealer required to collect or pay the sales or use tax shall, on or before the twentieth day of the month following the month in which the tax shall become effective, transmit to the Tax Commissioner a return showing the gross sales, gross proceeds, or cost price, as the case may be, arising from all transactions taxable under this chapter during the preceding calendar month, and thereafter a like return shall be prepared and transmitted to the Tax Commissioner by every dealer on or before the twentieth day of each month, for the preceding calendar month. In the case of dealers regularly keeping books and accounts on the basis of an annual period ~~which that varies fifty-two~~52 to ~~fifty-three~~53 weeks, the Tax Commissioner may make rules and regulations for reporting consistent with such accounting period.

Notwithstanding any other provision of this chapter, a dealer may be required by the Tax Commissioner to file sales or use tax returns on an accounting period less frequent than monthly when, in the opinion of the Tax Commissioner, the administration of the taxes imposed by this chapter would be enhanced. If a dealer is required to file other than monthly, each such return shall be due on or before the twentieth day of the month following the close of the period. Each such return shall contain all information required for monthly returns.

A sales or use tax return shall be filed by each registered dealer even though the dealer is not liable to remit to the Tax Commissioner any tax for the period covered by the return.

B. 1. In addition to the amounts required under the provisions of this section and § 58.1-616, any dealer as defined by § 58.1-612 or direct payment permit holder pursuant to § 58.1-624, with taxable sales and purchases of \$1,300,000 or greater for the ~~twelve~~ 12-month period beginning July 1, and ending June 30 of the immediately preceding calendar year, shall be required to make a payment equal to 90 percent of the sales and use tax liability for the previous June. Such tax payments shall be made on or before the 30th day of June, if payment is made by electronic funds transfer, as defined in § 58.1-202.1. If payment is made by other than electronic funds transfer, such payment shall be made on or before the ~~25th~~ twenty-fifth day of June. For purposes of this provision, taxable sales or purchases shall be computed without regard to the number of certificates of registration held by the dealer. Every dealer or direct payment permit holder shall be entitled to a credit for the payment under this subsection on the return for June of the current year due July 20. The provisions of this subsection shall not apply to persons who are required to file only a Form ST-7, Consumer User Tax Return.

2. In lieu of the penalties provided in § 58.1-635, except with respect to fraudulent returns, failure to make a timely payment or full payment of the sales and use tax liability as provided in this subsection shall subject the dealer or direct payment permit holder to a penalty of six percent of the amount of tax underpayment that should have been properly paid to the Tax Commissioner. Interest will accrue as provided in § 58.1-15. The payment required by this subsection shall become delinquent on the first day following the due date set forth in this subsection if not paid.

3. *This subsection shall be effective until June 1, 2005.*

§ 58.1-627. Bracket system for tax at rate of four and one-half percent.

The following brackets of prices shall be used for the collection of the tax imposed by this chapter:

\$0.00 to \$0.14 \$0.11	no tax
.15 .12 to .42 .33	1¢ tax
.43 .34 to .71 .55	2¢ tax
.72 .56 to .99 .77	3¢ tax
1.00 .78 to 1.28 .99	4¢ tax
1.29 1.00 to 1.57 1.22	5¢ tax
1.58 1.23 to 1.85 1.44	6¢ tax
1.86 1.45 to 2.14 1.66	7¢ tax
2.15 1.67 to 2.42 1.88	8¢ tax
2.43 1.89 to 2.71 2.11	9¢ tax
2.72 2.12 to 2.99 2.33	10¢ tax
3.00 2.34 to 3.28 2.55	11¢ tax
3.29 2.56 to 3.57 2.77	12¢ tax
3.58 2.78 to 3.85 2.99	13¢ tax
3.86 3.00 to 4.14 3.22	14¢ tax
4.15 3.23 to 4.42 3.44	15¢ tax
4.43 3.45 to 4.71 3.66	16¢ tax
4.72 3.67 to 5.00 3.88	17¢ tax
3.89 to 4.11	18¢ tax
4.12 to 4.33	19¢ tax
4.34 to 4.55	20¢ tax
4.56 to 4.77	21¢ tax
4.78 to 5.00	22¢ tax

On transactions ~~over five dollars~~ greater than \$5, the tax shall be computed at ~~three~~ four and one-half percent, one-half cent or more being treated as one cent. If a dealer can show to the satisfaction of the Tax Commissioner that more than ~~eighty-five~~ 85 percent of the total dollar volume of his gross taxable sales during the taxable month was from individual sales at prices of ~~ten~~ 10 cents or less each, and that he was unable to adjust his prices in such manner as to prevent the economic incidence of the sales tax from falling on him, the Tax Commissioner shall determine the proper tax liability of the dealer based on that portion of the dealer's gross taxable sales which was from sales at prices of eleven cents or more.

§ 58.1-628. Bracket system for combined state and local tax.

The following brackets of prices shall be used for the collection of the combined state and local tax:

\$0.00 to \$0.11 .09	no tax
.12 .10 to .33 .27	1¢ tax
.34 .28 to .55 .45	2¢ tax
.56 .46 to .77 .63	3¢ tax
.78 .64 to .99 .81	4¢ tax
1.00 .82 to 1.22 .99	5¢ tax
1.23 1.00 to 1.44 1.18	6¢ tax
1.45 1.19 to 1.66 1.36	7¢ tax
1.67 1.37 to 1.88 1.54	8¢ tax
1.89 1.55 to 2.11 1.72	9¢ tax
2.12 1.73 to 2.33 1.90	10¢ tax
2.34 1.91 to 2.55 2.09	11¢ tax
2.56 2.10 to 2.77 2.27	12¢ tax
2.78 2.28 to 2.99 2.45	13¢ tax
3.00 2.46 to 3.22 2.63	14¢ tax
3.23 2.64 to 3.44 2.81	15¢ tax
3.45 2.82 to 3.66 2.99	16¢ tax
3.67 3.00 to 3.88 3.18	17¢ tax
3.89 3.19 to 4.11 3.36	18¢ tax
4.12 3.37 to 4.33 3.54	19¢ tax
4.34 3.55 to 4.55 3.72	20¢ tax
4.56 3.73 to 4.77 3.90	21¢ tax
4.78 3.91 to 5.00 4.09	22¢ tax
4.10 to 4.27	23¢ tax
4.28 to 4.45	24¢ tax
4.46 to 4.63	25¢ tax
4.64 to 4.81	26¢ tax
4.82 to 5.00	27¢ tax

On transactions ~~over five dollars~~ greater than \$5, the tax shall be computed at ~~four~~ five and one-half percent, one half cent or more being treated as one cent. The foregoing bracket system shall not relieve the dealer from the duty and liability to remit an amount equal to ~~four~~ five and one-half percent of his gross taxable sales as provided in this chapter. If the dealer, however, can show to the satisfaction of the Tax Commissioner that more than ~~eighty five~~ 85 percent of the total dollar volume of his gross taxable sales during the taxable month was from individual sales at prices of ~~ten~~ 10 cents or less each and that he was unable to adjust his prices in such manner as to prevent the economic incidence of the sales tax from falling on him, the Tax Commissioner shall determine the proper tax liability of the dealer based on that portion of the dealer's gross taxable sales which was from sales at prices of ~~eleven~~ 11 cents or more.

§ 58.1-638. Disposition of state sales and use tax revenue; localities' share; Game Protection Fund.

A. The Comptroller shall designate a specific revenue code number for all the state sales and use tax revenue collected under the preceding sections of this chapter.

1. The sales and use tax revenue generated by the one-half percent sales and use tax increase enacted by the 1986 Special Session of the General Assembly, *computed without regard to revenues generated from sales and use taxes on food purchased for human consumption as defined in § 58.1-611.1*, shall be paid, in the manner hereinafter provided in this section, to the Transportation Trust Fund as defined in § 33.1-23.03:1. Of the funds paid to the Transportation Trust Fund, an aggregate of 4.2 percent shall be set aside as the Commonwealth Port Fund as provided in this section; an aggregate of 2.4 percent shall be set aside as the Commonwealth Airport Fund as provided in this section; and an aggregate of 14.5 percent in fiscal year 1998-1999 and 14.7 percent in fiscal year 1999-2000 and thereafter shall be set aside as the Commonwealth Mass Transit Fund as provided in this section. The Fund's share of such net revenue shall be computed as an estimate of the net revenue to be received into the state treasury each month, and such

estimated payment shall be adjusted for the actual net revenue received in the preceding month. All payments shall be made to the Fund on the last day of each month.

2. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be a part of the Transportation Trust Fund and which shall be known as the Commonwealth Port Fund.

a. The Commonwealth Port Fund shall be established on the books of the Comptroller and the funds remaining in such Fund at the end of a biennium shall not revert to the general fund but shall remain in the Fund. Interest earned on such funds shall remain in the Fund and be credited to it. Funds may be paid to any authority, locality or commission for the purposes hereinafter specified.

b. The amounts allocated pursuant to this section shall be allocated by the Commonwealth Transportation Board to the Board of Commissioners of the Virginia Port Authority to be used to support port capital needs and the preservation of existing capital needs of all ocean, river, or tributary ports within the Commonwealth.

c. Commonwealth Port Fund revenue shall be allocated by the Board of Commissioners to the Virginia Port Authority in order to foster and stimulate the flow of maritime commerce through the ports of Virginia, including but not limited to the ports of Richmond, Hopewell and Alexandria.

3. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be part of the Transportation Trust Fund and which shall be known as the Commonwealth Airport Fund. The Commonwealth Airport Fund shall be established on the books of the Comptroller and any funds remaining in such Fund at the end of a biennium shall not revert to the general fund but shall remain in the Fund. Interest earned on the funds shall be credited to the Fund. The funds so allocated shall be allocated by the Commonwealth Transportation Board to the Virginia Aviation Board. The funds shall be allocated by the Virginia Aviation Board to any Virginia airport which is owned by the Commonwealth, a governmental subdivision thereof, or a private entity to which the public has access for the purposes enumerated in § 5.1-2.16, or is owned or leased by the Metropolitan Washington Airports Authority (MWAA), as follows:

Any new funds in excess of \$12.1 million which are available for allocation by the Virginia Aviation Board from the Commonwealth Transportation Fund, shall be allocated as follows: sixty percent to MWAA, up to a maximum annual amount of two million dollars, and forty percent to air carrier airports as provided in subdivision A 3 a. Except for adjustments due to changes in enplaned passengers, no air carrier airport sponsor, excluding MWAA, shall receive less funds identified under subdivision A 3 a than it received in fiscal year 1994-1995.

Of the remaining amount:

a. Forty percent of the funds shall be allocated to air carrier airports, except airports owned or leased by MWAA, based upon the percentage of enplanements for each airport to total enplanements at all air carrier airports, except airports owned or leased by MWAA. No air carrier airport sponsor, however, shall receive less than \$50,000 nor more than \$2 million per year from this provision.

b. Forty percent of the funds shall be allocated by the Aviation Board for air carrier and reliever airports on a discretionary basis, except airports owned or leased by MWAA.

c. Twenty percent of the funds shall be allocated by the Aviation Board for general aviation airports on a discretionary basis.

4. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be a part of the Transportation Trust Fund and which shall be known as the Commonwealth Mass Transit Fund.

a. The Commonwealth Mass Transit Fund shall be established on the books of the Comptroller and any funds remaining in such Fund at the end of the biennium shall not revert to the general fund but shall remain in the Fund. Interest earned on such funds shall be credited to the Fund. Funds may be paid to any local governing body, transportation district commission, or public service corporation for the purposes hereinafter specified.

b. The amounts allocated pursuant to this section shall be used to support the public transportation administrative costs and the costs borne by the locality for the purchase of fuels, lubricants, tires and maintenance parts and supplies for public transportation at a state share of ~~eighty~~ 80 percent in 2002 and ~~ninety five~~ 95 percent in 2003 and succeeding years. These amounts may be used to support up to

~~ninety-five~~95 percent of the local or nonfederal share of capital project costs for public transportation and ridesharing equipment, facilities, and associated costs. Capital costs may include debt service payments on local or agency transit bonds. The term "borne by the locality" means the local share eligible for state assistance consisting of costs in excess of the sum of fares and other operating revenues plus federal assistance received by the locality.

c. Commonwealth Mass Transit Fund revenue shall be allocated by the Commonwealth Transportation Board as follows:

(1) Funds for special programs, which shall include ridesharing, experimental transit, and technical assistance, shall not exceed 1.5 percent of the Fund.

(2) The Board may allocate these funds to any locality or planning district commission to finance up to eighty percent of the local share of all costs associated with the development, implementation, and continuation of ridesharing programs.

(3) Funds allocated for experimental transit projects may be paid to any local governing body, transportation district commission, or public corporation or may be used directly by the Department of Rail and Public Transportation for the following purposes:

(a) To finance up to ~~ninety-five~~95 percent of the capital costs related to the development, implementation and promotion of experimental public transportation and ridesharing projects approved by the Board.

(b) To finance up to ~~ninety-five~~95 percent of the operating costs of experimental mass transportation and ridesharing projects approved by the Board for a period of time not to exceed twelve months.

(c) To finance up to ~~ninety-five~~95 percent of the cost of the development and implementation of any other project designated by the Board where the purpose of such project is to enhance the provision and use of public transportation services.

d. Funds allocated for public transportation promotion and operation studies may be paid to any local governing body, planning district commission, transportation district commission, or public transit corporation, or may be used directly by the Department of Rail and Public Transportation for the following purposes and aid of public transportation services:

(1) At the approval of the Board to finance a program administered by the Department of Rail and Public Transportation designed to promote the use of public transportation and ridesharing throughout Virginia.

(2) To finance up to ~~fifty~~50 percent of the local share of public transportation operations planning and technical study projects approved by the Board.

e. At least 73.5 percent of the Fund shall be distributed to each transit property in the same proportion as its operating expenses bear to the total statewide operating expenses and shall be spent for the purposes specified in subdivision 4 b.

f. The remaining ~~twenty-five~~25 percent shall be distributed for capital purposes on the basis of ~~ninety-five~~95 percent of the nonfederal share for federal projects and ~~ninety-five~~95 percent of the total costs for nonfederal projects. In the event that total capital funds available under this subdivision are insufficient to fund the complete list of eligible projects, the funds shall be distributed to each transit property in the same proportion that such capital expenditure bears to the statewide total of capital projects.

g. There is hereby created in the Department of the Treasury a special nonreverting fund known as the Commonwealth Transit Capital Fund. The Commonwealth Transit Capital Fund shall be part of the Commonwealth Mass Transit Fund. The Commonwealth Transit Capital Fund subaccount shall be established on the books of the Comptroller and consist of such moneys as are appropriated to it by the General Assembly and of all donations, gifts, bequests, grants, endowments, and other moneys given, bequeathed, granted, or otherwise made available to the Commonwealth Transit Capital Fund. Any funds remaining in the Commonwealth Transit Capital Fund at the end of the biennium shall not revert to the general fund, but shall remain in the Commonwealth Transit Capital Fund. Interest earned on funds within the Commonwealth Transit Capital Fund shall remain in and be credited to the Commonwealth Transit Capital Fund. Proceeds of the Commonwealth Transit Capital Fund may be paid to any political subdivision, another public entity created by an act of the General Assembly, or a private entity as defined

in § 56-557 and for purposes as enumerated in subdivision 4c of § 33.1-269 or expended by the Department of Rail and Public Transportation for the purposes specified in this subdivision. Revenues of the Commonwealth Transit Capital Fund shall be used to support capital expenditures involving the establishment, improvement, or expansion of public transportation services through specific projects approved by the Commonwealth Transportation Board. Projects financed by the Commonwealth Transit Capital Fund shall receive local, regional or private funding for at least ~~twenty~~ 20 percent of the nonfederal share of the total project cost.

5. Funds for Metro shall be paid by the Northern Virginia Transportation Commission (NVTC) to the Washington Metropolitan Area Transit Authority (WMATA) and be a credit to the Counties of Arlington and Fairfax and the Cities of Alexandria, Falls Church and Fairfax in the following manner:

a. Local obligations for debt service for WMATA rail transit bonds apportioned to each locality using WMATA's capital formula shall be paid first by NVTC. NVTC shall use ~~ninety-five~~ 95 percent state aid for these payments.

b. The remaining funds shall be apportioned to reflect WMATA's allocation formulas by using the related WMATA-allocated subsidies and relative shares of local transit subsidies. Capital costs shall include twenty percent of annual local bus capital expenses. Hold harmless protections and obligations for NVTC's jurisdictions agreed to by NVTC on November 5, 1998, shall remain in effect.

Appropriations from the Commonwealth Mass Transit Fund are intended to provide a stable and reliable source of revenue as defined by Public Law 96-184.

B. The sales and use tax revenue generated by a one percent sales and use tax shall be distributed among the counties and cities of this Commonwealth in the manner provided in subsections C and D.

C. The localities' share of the net revenue distributable under this section among the counties and cities shall be apportioned by the Comptroller and distributed among them by warrants of the Comptroller drawn on the Treasurer of Virginia as soon as practicable after the close of each month during which the net revenue was received into the state treasury. The distribution of the localities' share of such net revenue shall be computed with respect to the net revenue received into the state treasury during each month, and such distribution shall be made as soon as practicable after the close of each such month.

D. The net revenue so distributable among the counties and cities shall be apportioned and distributed upon the basis as certified to the Comptroller by the Department of Education, of the number of children in each county and city according to the most recent statewide census of school population taken by the Department of Education pursuant to § 22.1-284, as adjusted in the manner hereinafter provided. No special school population census, other than a statewide census, shall be used as the basis of apportionment and distribution except that in any calendar year in which a statewide census is not reported, the Department of Education shall adjust such school population figures by the same percent of annual change in total population estimated for each locality by The Center for Public Service. The revenue so apportionable and distributable is hereby appropriated to the several counties and cities for maintenance, operation, capital outlays, debt and interest payments, or other expenses incurred in the operation of the public schools, which shall be considered as funds raised from local resources. In any county, however, wherein is situated any incorporated town constituting a school division, the county treasurer shall pay into the town treasury for maintenance, operation, capital outlays, debt and interest payments, or other expenses incurred in the operation of the public schools, the proper proportionate amount received by him in the ratio that the school population of such town bears to the school population of the entire county. If the school population of any city or of any town constituting a school division is increased by the annexation of territory since the last preceding school population census, such increase shall, for the purposes of this section, be added to the school population of such city or town as shown by the last such census and a proper reduction made in the school population of the county or counties from which the annexed territory was acquired.

E. Beginning July 1, 2000, of the remaining sales and use tax revenue, the revenue generated by a two percent sales and use tax, up to an annual amount of \$13 million, collected from the sales of hunting equipment, auxiliary hunting equipment, fishing equipment, auxiliary fishing equipment, wildlife-watching equipment, and auxiliary wildlife-watching equipment in Virginia, as estimated by the most recent U.S. Department of the Interior, Fish and Wildlife Service and U.S. Department of

Commerce, Bureau of the Census National Survey of Fishing, Hunting, and Wildlife-Associated Recreation, shall be paid into the Game Protection Fund established under § 29.1-101 and shall be used, in part, to defray the cost of law enforcement. Not later than ~~thirty~~30 days after the close of each quarter, the Comptroller shall transfer to the Game Protection Fund the appropriate amount of collections to be dedicated to such Fund. At any time that the balance in the Capital Improvement Fund, established under § 29.1-101.1, is equal to or in excess of \$35 million, any portion of sales and use tax revenues that would have been transferred to the Game Protection Fund, established under § 29.1-101, in excess of the net operating expenses of the Board, after deduction of other amounts which accrue to the Board and are set aside for the Game Protection Fund, shall remain in the general fund until such time as the balance in the Capital Improvement Fund is less than \$35 million.

F. Beginning July 1, 2004, of the revenue generated by a one percent sales and use tax, pursuant to enactments of the 2004 Session of the General Assembly increasing the state sales and use tax to four and one-half percent, in each fiscal year, unless otherwise provided in the general appropriation act, the Comptroller shall transfer \$30 million to the Virginia Natural and Historic Resources Fund established under § 10.1-2135. To accomplish such transfer, beginning with the Commonwealth's fiscal year starting on July 1, 2004, the Comptroller shall transfer \$15 million in December and \$15 million in June of each fiscal year to the Virginia Natural and Historic Resources Fund.

FG. If errors are made in any distribution, or adjustments are otherwise necessary, the errors shall be corrected and adjustments made in the distribution for the next quarter or for subsequent quarters.

GH. The term "net revenue," as used in this section, means the gross revenue received into the general fund or the Transportation Trust Fund of the state treasury under the preceding sections of this chapter, less refunds to taxpayers.

§ 58.1-639. Transitional provisions.

A. To the extent of any increase in the state sales and use tax rate enacted by the ~~1986 Special~~ 2004 Session of the Virginia General Assembly, the Tax Commissioner, upon application of the purchaser in accordance with regulations promulgated by the Commissioner, shall have the authority to refund state sales or use taxes paid on purchases of tangible personal property made pursuant to bona fide real estate construction contracts, contracts for the sale of tangible personal property, and leases, provided that the real estate construction contract, contract for the sale of tangible personal property or lease is entered into prior to the date of enactment of the increase of the state sales and use tax rate; and further provided that the date of delivery of the tangible personal property is on or before ~~March 30, 1987~~ September 30, 2004. The term "bona fide contract," when used in this section in relation to real estate construction contracts, shall include but not be limited to those contracts which are entered into prior to the enactment of the increase in the state sales and use tax rate, provided that such contracts include plans and specifications.

B. Notwithstanding the foregoing ~~March 30, 1987~~ September 30, 2004, delivery date requirement, with respect to bona fide real estate construction contracts which contain a specific and stated date of completion, the date of delivery of such tangible personal property shall be on or before the completion date of the applicable project.

C. Applications for refunds pursuant to this section shall be made in accordance with the provisions of § 58.1-1823. Interest computed in accordance with § 58.1-1833 shall be added to the tax refunded pursuant to this section.

§ 58.1-801. Deeds generally; charter amendments.

A. On every deed admitted to record, except a deed exempt from taxation by law, there is hereby levied a state recordation tax. The rate of the tax shall be ~~fifteen~~30 cents on every \$100 or fraction thereof of the consideration of the deed or the actual value of the property conveyed, whichever is greater.

Upon deeds conveying property lying partly within the Commonwealth and partly without the Commonwealth, the tax herein imposed shall apply only to the value of so much of the property conveyed as is situated within the Commonwealth.

B. When the charter of a corporation is amended, and the only effect of such amendment is to change the corporate name of such corporation, the tax upon the recordation of a deed conveying to, or vesting in, such corporation under its changed name, the title to any or all of the real or personal property

of such corporation held in its name as it existed immediately prior to such amendment, shall be fifty cents.

§ 58.1-803. Deeds of trust or mortgages; maximum tax.

A. A recordation tax on deeds of trust or mortgages is hereby imposed at a rate of ~~15¢~~ 30 cents on every \$100 or portion thereof of the amount of bonds or other obligations secured thereby. In the event of an open or revolving deed of trust, the amount of the obligation for purposes of this section shall be the maximum amount which may be outstanding at any one time. In any case in which the amount which may be secured under a deed of trust or mortgage is not ascertainable, the tax shall be based upon the fair market value of the property conveyed, determined as of the date of the deed of trust or mortgage. The fair market value of the property shall include the value of any realty required by the terms of the deed of trust or mortgage to be constructed thereon.

B. On deeds of trust or mortgages upon the works and property of a railroad lying partly within the Commonwealth and partly without the Commonwealth, the tax shall be only upon such proportion of the amount of bonds, or other obligations secured thereby, as the number of miles of the line of such company in the Commonwealth bears to the whole number of miles of the line of such company conveyed by such deed of trust or mortgage.

Upon deeds of trust or mortgages conveying other property lying partly within the Commonwealth and partly without the Commonwealth the tax herein imposed shall be only upon such proportion of the debt secured as the value of the property located within the Commonwealth, or which may be brought into the Commonwealth, bears to the entire amount of property conveyed by such deed of trust or mortgage.

C. On deeds of trust or mortgages, which provide for an initial issue of bonds, to be followed thereafter by additional bonds, unlimited in amount, if such deed of trust or mortgage provides that as and when such additional bonds are issued a supplemental indenture shall be recorded in the office in which the original deed of trust or mortgage is first recorded, which supplement shall contain a statement as to the amount of the additional bonds to be issued, then the tax shall be paid upon the initial amount of bonds when the original deed of trust is recorded and thereafter on each additional amount of bonds when the supplemental indenture relating to such additional bonds is recorded.

On deeds of trust or mortgages which are supplemental to or wrap around existing deeds of trust on which the tax imposed hereunder has already been paid, the tax shall be paid only on that portion of the face amount of the bond or obligation secured thereby which is in addition to the amount of the existing debt secured by a deed of trust or mortgage on which tax has been paid. The instrument shall certify the amount of the existing debt.

D. On deeds of trust or mortgages, the purpose of which is to refinance or modify the terms of an existing debt with the same lender, which debt is secured by a deed of trust or mortgage on which the tax imposed hereunder has been paid, the tax shall be paid only on that portion of the amount of the bond or other obligation secured thereby which is in addition to the amount of the original debt secured by a deed of trust or mortgage on which the tax has been paid. The instrument shall certify the amount of original debt.

E. The maximum tax on the recordation of any deed of trust or mortgage or on any indenture supplemental thereto shall be determined in accordance with the following schedule:

On the first 10 million dollars of value as determined pursuant to this section, ~~15¢~~ 30 cents upon every \$100 or portion thereof;

On the next 10 million dollars of value as determined pursuant to this section, ~~12¢~~ 27 cents upon every \$100 or portion thereof;

On the next 10 million dollars of value as determined pursuant to this section, ~~9¢~~ 24 cents upon every \$100 or portion thereof;

On the next 10 million dollars of value as determined pursuant to this section, ~~6¢~~ 21 cents upon every \$100 or portion thereof; and

On all over 40 million dollars of value as determined pursuant to this section, ~~3¢~~ 18 cents upon every \$100 or portion thereof, incorporated into this section.

§ 58.1-807. Contracts generally; leases.

A. Except as hereinafter provided, on every contract or memorandum thereof relating to real or personal property admitted to record, a recordation tax is hereby levied at the rate of ~~fifteen~~ 30 cents on every \$100 or fraction thereof of the consideration or value contracted for.

B. The recordation of a deed of lease for a term of years, or assignment of the lessee's interest therein, or memorandum thereof, shall be taxed according to the provisions of this section, unless provided otherwise in § 58.1-809 or unless the annual rental, multiplied by the term for which the lease runs, or remainder thereof, equals or exceeds the actual value of the property leased. In such cases the tax for recording the deed of lease shall be based upon the actual value of the property at the date of lease, including the value of any realty required by the terms of the lease to be constructed thereon by the lessor.

C. The recordation of an assignment of the lessor's interest in a lease, or memorandum thereof, shall be taxed according to the provisions of this section, unless the assignment of the lessor's interest in the lease is to provide additional security for an obligation of the lessor on which the tax has been previously paid, or the assignment of the lessor's interest is made to the person who owns the property which is subject to the lease. In such cases there shall be no tax for recording the lessor's assignment of the lease.

D. Notwithstanding the other provisions of this section, the tax on the recordation of leases of oil and gas rights shall not exceed ~~twenty-five dollars~~ \$25. The tax on the recordation of leases of coal and other mineral rights shall not exceed ~~fifty dollars~~ \$50.

E. Notwithstanding the other provisions of this section, the tax on the recordation of leases of outdoor advertising signs owned by a person engaged in the business of outdoor advertising licensed by the Virginia Department of Transportation pursuant to § 33.1-361 shall not exceed ~~twenty-five dollars~~ \$25.

§ 58.1-808. Sales contracts for the sale of rolling stock or equipment.

On every contract or agreement admitted to record relating to the sale of rolling stock or equipment, whether the title is reserved in the vendor or not, with a railroad corporation or other corporation or with a person, firm or company, the tax shall be ~~15¢~~ 30 cents on every \$100 or fraction thereof of the amount contracted for in such contract or agreement. When such contract or agreement is with a railroad corporation lying partly within the Commonwealth and partly without the Commonwealth, the tax shall be upon such proportion of the amount contracted for as the number of miles of the line of such railroad corporation in the Commonwealth bears to the whole number of miles of line of such railroad corporation.

§ 58.1-815. U.S. Route 58 Corridor Development Fund.

There is hereby created in the Department of the Treasury a special nonreverting fund which shall be a part of the Transportation Trust Fund and which shall be known as the U.S. Route 58 Corridor Development Fund, consisting of the first \$40 million of annual collections of the state recordation taxes imposed ~~by this chapter~~ *at the tax rates in effect on January 1, 2004, pursuant to this chapter*; provided, however, this dedication shall not affect the local recordation taxes under §§ 58.1-802 B and 58.1-814. The Fund shall also include such other funds as may be appropriated by the General Assembly from time to time, and designated for this Fund and all interest, dividends and appreciation which may accrue thereto. Any moneys remaining in the Fund at the end of a biennium shall not revert to the General Fund, but shall remain in the Fund. Allocations from this Fund may be paid to any authority, locality or commission for the purposes specified in § 33.1-221.1:2.

§ 58.1-816. Distribution of recordation tax to cities and counties.

A. Effective October 1, 1993, twenty million dollars of the taxes imposed under §§ 58.1-801 through 58.1-809 *at the tax rates in effect on January 1, 2004*, which are actually paid into the state treasury, shall be distributed among the counties and cities of this Commonwealth in the manner provided in subsection B of this section. Effective July 1, 1994, such annual distribution shall increase to forty million dollars.

B. Subject to any transfers required under §§ 58.1-815.1 and 58.1-816.1, the share of the state taxes distributable under this section among the counties and cities shall be apportioned and distributed quarterly to each county or city by the Comptroller by multiplying the amount to be distributed by a fraction in which the numerator is the amount of the taxes imposed under §§ 58.1-801 through 58.1-809 and actually paid into the state treasury which are attributable to deeds and other instruments recorded in the county or city and the denominator is the amount of taxes imposed under §§ 58.1-801 through

58.1-809 actually paid into the state treasury. All distributions pursuant to this section shall be made on a quarterly basis within thirty days of the end of the quarter. Such quarterly distribution shall equal ten million dollars. Each clerk of the court shall certify to the Comptroller, within fifteen days after the end of the quarter, all amounts collected under §§ 58.1-801 through 58.1-809 and actually paid into the state treasury which are attributable to deeds and other instruments recorded in such county or city.

C. All moneys distributed to counties and cities pursuant to this section shall be used for (i) transportation purposes, including, without limitation, construction, administration, operation, improvement, maintenance and financing of transportation facilities, or (ii) public education.

As used in this section, the term "transportation facilities" shall include all transportation-related facilities including, but not limited to, all highway systems, public transportation or mass transit systems as defined in § 33.1-12, airports as defined in § 5.1-1, and port facilities as defined in § 62.1-140. Such term shall be liberally construed for purposes of this section.

D. If any revenues distributed to a county or city under subsection C of this section are applied or expended for any transportation facilities under the control and jurisdiction of any state agency, board, commission or authority, such transportation facilities shall be constructed, operated, administered, improved and maintained in accordance with laws, rules, regulations, policies and procedures governing such state agency, board, commission or authority; however, in the event these revenues, or a portion thereof, are expended for improving or constructing highways in a county which is subject to the provisions of § 33.1-75.3, such expenditures shall be undertaken in the manner prescribed in that statute.

E. In the case of any distribution to a county or city in which an office sharing agreement pursuant to §§ 15.2-1637 and 15.2-3822 is in effect, the Comptroller shall divide the distribution among the office sharing counties and cities. Each clerk of the court acting pursuant to an office sharing agreement shall certify to the Comptroller, within fifteen days after the end of the quarter, all amounts collected under §§ 58.1-801 through 58.1-809 and actually paid into the state treasury which are attributable to deeds and other instruments recorded on behalf of each county and city.

§ 58.1-901. Definitions.

As used in this chapter, unless the context clearly shows otherwise, the term or phrase:

"Decedent" means a deceased person.

"Federal credit" means the maximum amount of the credit for state death taxes allowable by § 2011 of the United States Internal Revenue Code of 1954, as amended or renumbered, or successor provision, in respect to a decedent's taxable estate. The term "maximum amount" shall be construed as to take full advantage of such credit as the laws of the United States may allow. In no event, however, shall such amount be less than the federal credit allowable by § 2011 of the Internal Revenue Code as it existed on January 1, 1978.

"Gross estate" means "gross estate" as defined in § 2031 of the United States Internal Revenue Code of 1954, as amended or renumbered, or the successor provision of the laws of the United States.

"Interest in a closely held business" means an "interest in a closely held business" as defined in § 6166 of the United States Internal Revenue Code of 1986, as amended or renumbered, or the successor provision of the laws of the United States.

"Nonresident" means a decedent who was domiciled outside of the Commonwealth of Virginia at his death.

"Personal representative" means the personal representative of the estate of the decedent, appointed, qualified and acting within the Commonwealth, or, if there is no personal representative appointed, qualified and acting within the Commonwealth, then any person in actual or constructive possession of the Virginia gross estate of the decedent.

"Resident" means a decedent who was domiciled in the Commonwealth of Virginia at his death.

"State" means any state, territory or possession of the United States and the District of Columbia.

"Taxable estate" means "taxable estate" as defined in § 2051 of the United States Internal Revenue Code of 1954, as amended or renumbered, or the successor provision of the laws of the United States.

"Value" means "value" as finally determined for federal estate tax purposes under the laws of the United States relating to federal estate taxes.

“Working farm” means an interest in a closely held business that operates as an active trade or business for agricultural purposes.

Any reference in this chapter to the laws of the United States relating to federal estate and gift taxes means the provisions of the Internal Revenue Code of 1954, and amendments thereto, and other provisions of the laws of the United States relating to federal estate and gift taxes, as the same may be or become effective at any time or from time to time.

§ 58.1-902. Tax on transfer of taxable estate of residents; amounts; credit; property of resident defined.

A. 1. ~~A~~ For deaths occurring before January 1, 2004, a tax in the amount of the federal credit is imposed on the transfer of the taxable estate of every resident, subject, where applicable, to the credit provided for in subsection B.

2. For deaths occurring on or after January 1, 2004, a tax in the amount of the federal credit is imposed on the transfer of the taxable estate of every resident whose gross estate exceeds \$10 million, subject, where applicable, to the credit provided for in subsection B. However, no tax shall be imposed on a gross estate if the majority of the assets of the total estate are an interest in a closely held business or a working farm.

B. If the real and tangible personal property of a resident is located outside of the Commonwealth and is subject to a death tax imposed by another state for which a credit is allowed under § 2011 of the Internal Revenue Code of 1954, as amended or renumbered, or the successor provision of the laws of the United States relating to federal estate taxes, the amount of tax due under this section shall be credited with the lesser of:

1. The amount of the death tax paid the other state and credited against the federal estate tax; or
2. An amount computed by multiplying the federal credit by a fraction, the numerator of which is the value of that part of the gross estate over which another state or states have jurisdiction to the same extent to which Virginia would exert jurisdiction under this chapter with respect to the residents of such other state or states and the denominator of which is the value of the decedent’s gross estate.

C. Property of a resident includes:

1. Real property situated in the Commonwealth of Virginia;
2. Tangible personal property having an actual situs in the Commonwealth of Virginia; and
3. Intangible personal property owned by the resident regardless of where it is located.

§ 58.1-2402. Levy.

A. There is hereby levied, in addition to all other taxes and fees of every kind now imposed by law, a tax upon the sale or use of motor vehicles in Virginia, other than (i) vehicles with a gross vehicle weight rating or gross combination weight rating of 26,001 pounds or more, or (ii) a sale to or use by a person for rental as an established business or part of an established business or incidental or germane to such business.

There shall also be levied a tax upon the rental of a motor vehicle in Virginia, without regard to whether such vehicle is required to be licensed by the Commonwealth. However, such tax shall not be levied upon a rental to a person for re-rental as an established business or part of an established business, or incidental or germane to such business.

The amount of the tax to be collected shall be determined by the Commissioner by the application of the following rates against the gross sales price or gross proceeds:

1. Three percent of the sale price of each motor vehicle sold in Virginia. If such motor vehicle is a manufactured home as defined in § 36-85.3, the tax shall be three percent of the sale price of each such manufactured home sold in this Commonwealth; if such vehicle is a mobile office as defined in § 58.1-2401, the tax shall be two percent of the sale price of each mobile office sold in this Commonwealth.

2. Three percent of the sale price of each motor vehicle, or three percent of the sale price of each manufactured home as defined in § 36-85.3, or two percent of the sale price of each mobile office as defined in § 58.1-2401, not sold in Virginia but used or stored for use in this Commonwealth. When any such motor vehicle or manufactured home is first used or stored for use in Virginia six months or more after its acquisition, the tax shall be based on its current market value.

3. Four percent of the gross proceeds from the rental in Virginia of any motor vehicle, except those with a gross vehicle weight rating or gross combination weight rating of 26,001 pounds or more.

4. In addition to the tax levied pursuant to subdivision A 3, a tax of ~~four~~-six percent of the gross proceeds shall be levied on the rental in Virginia of any daily rental vehicle, whether or not such vehicle is required to be licensed in the Commonwealth.

5. The minimum tax levied on the sale of any motor vehicle in the Commonwealth shall be ~~thirty-five dollars~~ \$35, except as provided by those exemptions defined in § 58.1-2403.

B. A transaction taxed under subdivision A 1 shall not also be taxed under subdivision A 2, nor shall the same transaction be taxed more than once under either subdivision. A motor vehicle subject to the tax imposed under subdivision A 3 shall be subject to the tax under either subdivision A 1 or A 2 when it ceases to be used for rental as an established business or part of an established business, or incidental or germane to such business.

C. Any motor vehicle, trailer or semitrailer exempt from this tax under subdivision 1 or 2 of § 58.1-2403 shall be subject to the tax, based on the current market value when such vehicle is no longer owned, rented or used by the United States government or any governmental agency, or the Commonwealth of Virginia or any political subdivision thereof. Further, any motor vehicle, trailer or semitrailer exempt from the tax imposed by this chapter under subdivision 11 of § 58.1-2403 or §§ 46.2-663 through 46.2-674 shall be subject to the tax, based on the current market value, when such vehicle is subsequently licensed to operate on the highways of this Commonwealth.

D. Any person who with intent to evade or to aid another person to evade the tax provided for herein, falsely states the selling price of a vehicle on a bill of sale, assignment of title, application for title, or any other document or paper submitted to the Commissioner pursuant to any provisions of this title or Title 46.2, shall be guilty of a Class 3 misdemeanor.

E. Effective January 1, 1997, any amount designated as a "processing fee" and any amount charged by a dealer for processing a transaction, which is required to be included on a buyer's order pursuant to subdivision 10 of § 46.2-1530, shall be subject to the tax.

§ 58.1-2425. Disposition of revenues.

A. All funds collected hereunder by the Commissioner shall be forthwith paid into the state treasury. Except as otherwise provided in this section, these funds shall constitute special funds within the Commonwealth Transportation Fund. Any balances remaining in these funds at the end of the year shall be available for use in subsequent years for the purposes set forth in this chapter, and any interest income on such funds shall accrue to these funds. The revenue so derived, after refunds have been deducted, is hereby allocated for the construction, reconstruction and maintenance of highways and the regulation of traffic thereon and for no other purpose. However, (i) all funds collected pursuant to the provisions of this chapter from manufactured homes, as defined in § 46.2-100, shall be distributed to the city, town, or county wherein such manufactured home is to be situated as a dwelling; (ii) all funds ~~collected from the additional generated by a four percent tax imposed by subdivision A 4 of § 58.1-2402~~ on the rental of daily rental vehicles pursuant to subdivision A 4 of § 58.1-2402 shall be distributed quarterly to the city, town, or county wherein such vehicle was delivered to the rentee; (iii) effective January 1, 1987, an amount equivalent to the net additional revenues generated by enactments of the 1986 Special Session of the Virginia General Assembly which amended §§ 46.2-694, 46.2-697, 58.1-2401, 58.1-2402 and this section shall be ~~distributed~~-deposited to and paid into the Transportation Trust Fund established under § 33.1-23.03:1, a special fund within the Commonwealth Transportation Fund, and are hereby appropriated to the Commonwealth Transportation Board for transportation needs; (iv) all funds generated by a two percent tax on the rental of daily rental vehicles pursuant to subdivision A 4 of § 58.1-2402 shall be deposited into the general fund of the state treasury; and (v) except as otherwise provided in clause (iii) of this sentence, all moneys collected from the tax on the gross proceeds from the rental in Virginia of any motor vehicle pursuant to subdivision A 3 of § 58.1-2402 at the tax rate in effect on December 31, 1986, shall be paid by the Commissioner into the state treasury and shall be set aside in a special fund within the Commonwealth Transportation Fund to be used to meet the expenses of the Department of Motor Vehicles.

B. As provided in subsection A of § 58.1-638, of the funds becoming part of the Transportation Trust Fund pursuant to clause (iii) of subsection A of this section, an aggregate of 4.2 percent shall be set aside as the Commonwealth Port Fund; an aggregate of 2.4 percent shall be set aside as the Commonwealth Airport Fund; and an aggregate of 14.5 percent in fiscal year 1998-1999 and 14.7 percent in fiscal year 1999-2000 and thereafter shall be set aside as the Commonwealth Mass Transit Fund.

§ 58.1-3833. County food and beverage tax.

A. Any county is hereby authorized to levy a tax on food and beverages sold, for human consumption, by a restaurant, as such term is defined in subdivision 9 of § 35.1-1, not to exceed ~~eight and one-half percent, when added to the state and local general sales and use tax,~~ *four percent* of the amount charged for such food and beverages. Such tax shall not be levied on food and beverages sold through vending machines or by any person described in subdivisions 1, 2, 3, and 5 of § 35.1-25, as well as nonprofit cafeterias in public schools, nursing homes, and hospitals. Grocery stores and convenience stores selling prepared foods ready for human consumption at a delicatessen counter shall be subject to the tax, for that portion of the grocery store or convenience store selling such items.

This tax shall be levied only if the tax is approved in a referendum within the county which shall be held in accordance with § 24.2-684 and initiated either by a resolution of the board of supervisors or on the filing of a petition signed by a number of registered voters of the county equal in number to 10 percent of the number of voters registered in the county, as appropriate on January 1 of the year in which the petition is filed with the court of such county. The clerk of the circuit court shall publish notice of the election in a newspaper of general circulation in the county once a week for three consecutive weeks prior to the election. If the voters affirm the levy of a local meals tax, the tax shall be effective in an amount and on such terms as the governing body may by ordinance prescribe. If such resolution of the board of supervisors or such petition states for what projects and/or purposes the revenues collected from the tax are to be used, then the question on the ballot for the referendum shall include language stating for what projects and/or purposes the revenues collected from the tax are to be used.

The term "beverage" as set forth herein shall mean alcoholic beverages as defined in § 4.1-100 and nonalcoholic beverages served as part of a meal. The tax shall be in addition to the sales tax currently imposed by the county pursuant to the authority of Chapter 6 (§ 58.1-600 et seq.) of this title. Collection of such tax shall be in a manner prescribed by the governing body.

B. Notwithstanding the provisions of subsection A of this section, any county with a population of at least 70,000 but no more than 100,000, any county with a population of at least 17,910 but no more than 18,000, any county with a population of at least 34,000 but no more than 34,400, and any county having a county manager plan of government are hereby authorized to levy a tax on food and beverages sold for human consumption by a restaurant, as such term is defined in § 35.1-1 and as modified in subsection A above and subject to the same exemptions, not to exceed four percent of the amount charged for such food and beverages, provided that the governing body of the respective county holds a public hearing before adopting a local food and beverage tax, and the governing body by unanimous vote adopts such tax by local ordinance. The tax shall be effective in an amount and on such terms as the governing body may by ordinance prescribe.

C. Nothing herein contained shall affect any authority heretofore granted to any county, city or town to levy a meals tax. The county tax limitations imposed pursuant to § 58.1-3711 shall apply to any tax levied under this section, mutatis mutandis. All food and beverage tax collections and all meals tax collections shall be deemed to be held in trust for the county, city or town imposing the applicable tax. The wrongful and fraudulent use of such collections other than remittance of the same as provided by law shall constitute embezzlement pursuant to § 18.2-111.

D. No county which has heretofore adopted an ordinance pursuant to subsection A of this section shall be required to submit an amendment to its meals tax ordinance to the voters in a referendum.

E. Notwithstanding any other provision of this section, no locality shall levy any tax under this section upon alcoholic beverages sold in factory sealed containers and purchased for off-premises consumption or food purchased for human consumption as "food" is defined in the Food Stamp Act of 1977, 7 U.S.C. § 2012, as amended, and federal regulations adopted pursuant to that act, except for the

following items: sandwiches, salad bar items sold from a salad bar, prepackaged single-serving salads consisting primarily of an assortment of vegetables, and nonfactory sealed beverages.

3. That of the net additional revenues generated by the increases in the taxes under §§ 58.1-801, 58.1-803, 58.1-807, and 58.1-808 of the Code of Virginia pursuant to the second enactment of this act, supplemental deposits to the Revenue Stabilization Fund under § 2.2-1828 of the Code of Virginia shall be made as specified in the Appropriation Act.

4. That the amendments to § 58.1-2402 of the Code of Virginia pursuant to the second enactment of this act shall be applicable only to taxable transactions occurring on or after July 1, 2004.

5. That the provisions of the first enactment of this act shall expire midnight on June 30, 2006. The provisions of all other enactments shall have no expiration date.

6. That this act is effective on July 1, 2004.

The reading of the amendments was waived.

On motion of Senator Chichester, the amendments were agreed to.

The amendments were ordered to be engrossed.

H.B. 5001, on motion of Senator Chichester, was passed with its title.

The recorded vote is as follows:

YEAS--27. NAYS--5. RULE 36--0.

YEAS--Blevins, Chichester, Colgan, Deeds, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Miller, Mims, Norment, Puckett, Puller, Quayle, Rerras, Reynolds, Stolle, Stosch, Wampler, Watkins, Whipple, Williams--27.

NAYS--Bolling, Cuccinelli, Devolites, Martin, Obenshain--5.

RULE 36--0.

MEMORIAL RESOLUTION

S.J.R. 5003 (five thousand three), on motion of Senator Norment, was ordered to be engrossed and was agreed to by a unanimous standing vote.

COMMENDING RESOLUTIONS

On motion of Senator Norment, the questions on agreeing to the House joint resolutions that follow were considered en bloc.

On motion of Senator Norment, the following House joint resolutions were taken up and agreed to en bloc:

H.J.R. 5006 (five thousand six).

H.J.R. 5007 (five thousand seven).

S.J.R. 5004 (five thousand four), on motion of Senator Norment, was ordered to be engrossed and was agreed to.

HOUSE BILL ON SECOND READING RECONSIDERATION

Senator Edwards moved to reconsider the vote by which **H.B. 5002** (five thousand two) was passed with its title.

The motion was agreed to.

The recorded vote is as follows:

YEAS--32. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Martin, Miller, Mims, Norment, Obenshain, Puckett, Puller, Quayle, Rerras, Reynolds, Stolle, Stosch, Wampler, Watkins, Whipple, Williams--32.

NAYS--0.

RULE 36--0.

H.B. 5002, on motion of Senator Chichester, was passed with its title.

The recorded vote is as follows:

YEAS--27. NAYS--4. RULE 36--1.

YEAS--Blevins, Chichester, Colgan, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Locke, Lucas, Marsh, Miller, Mims, Norment, Puckett, Puller, Quayle, Rerras, Reynolds, Stolle, Stosch, Wampler, Watkins, Whipple, Williams--27.

NAYS--Bolling, Cuccinelli, Martin, Obenshain--4.

RULE 36--Lambert--1.

HOUSE COMMUNICATIONS

The following communications were received:

In the House of Delegates

March 21, 2004

THE HOUSE OF DELEGATES HAS ACCEDED TO THE REQUEST OF THE SENATE FOR A COMMITTEE OF CONFERENCE ON THE FOLLOWING HOUSE JOINT RESOLUTION

H.J.R. 5002. Limiting legislation to be considered by the 2004 Special Session I of the General Assembly.

/s/ Bruce F. Jamerson

Clerk, House of Delegates

In the House of Delegates

March 21, 2004

THE HOUSE OF DELEGATES HAS REJECTED THE AMENDMENTS PROPOSED BY THE SENATE TO THE FOLLOWING HOUSE BILL:

H.B. 5001. A BILL for all proposed appropriations of the Budget submitted by the Governor of Virginia in accordance with the provisions of § 2.2-1509, Code of Virginia, to provide a portion of revenues for the two years ending respectively on the thirtieth day of June, 2005, and the thirtieth day of June, 2006, and to amend and reenact §§ 58.1-302, 58.1-320, 58.1-321, 58.1-322, 58.1-391, 58.1-392, 58.1-441, 58.1-603, 58.1-604, 58.1-604.1, 58.1-611.1, 58.1-614, 58.1-615, 58.1-627, 58.1-628, 58.1-639, 58.1-901, 58.1-902, 58.1-1001, 58.1-3524, 58.1-3526, 58.1-3528, 58.1-3531, 58.1-3830, 58.1-3840 and 58.1-3912 of the Code of Virginia, to amend the Code of Virginia by adding in Title 32.1 a chapter numbered 15, consisting of sections numbered 32.1-366 through 32.1-367, to amend

the Code of Virginia by adding §§ 58.1-390.1, 58.1-390.2, 58.1-393.1, 58.1-394.2 and 58.1-395, and repealing §§ 58.1-390, 58.1-394, and 58.1-3831 of the Code of Virginia and repealing Chapter 289 of the 1989 Acts of Assembly.

THE HOUSE OF DELEGATES HAS RULED AS NOT GERMANE THE SUBSTITUTE PROPOSED BY THE SENATE TO THE FOLLOWING HOUSE BILL:

H.B. 5002. A BILL to amend and reenact § 58.1-609.3 of the Code of Virginia, and to repeal § 58.1-609.6 of the Code of Virginia relating to certain sales and use tax exemptions.

/s/ Bruce F. Jamerson
Clerk, House of Delegates

On motion of Senator Norment, the Rules were suspended and the reading of the communications from the House of Delegates was waived.

The recorded vote is as follows:
YEAS--31. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Martin, Miller, Mims, Norment, Obenshain, Puckett, Puller, Quayle, Rerras, Reynolds, Stolle, Stosch, Wampler, Watkins, Whipple--31.
NAYS--0.
RULE 36--0.

CONFERENCE PROCEDURES

Senator Norment, Chair of the Committee on Rules, appointed Senators Norment, Stolle, and Quayle, the conferees on the part of the Senate for **H.J.R. 5002** (five thousand two).

UNFINISHED BUSINESS—HOUSE

H.B. 5001 (five thousand one) was taken up.

On motion of Senator Chichester, the Senate insisted on its amendments and respectfully requested a committee of conference.

The recorded vote is as follows:
YEAS--32. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Martin, Miller, Mims, Norment, Obenshain, Puckett, Puller, Quayle, Rerras, Reynolds, Stolle, Stosch, Wampler, Watkins, Whipple, Williams--32.
NAYS--0.
RULE 36--0.

HOUSE COMMUNICATION

The following communication was received and read:

In the House of Delegates
March 21, 2004

THE HOUSE OF DELEGATES HAS ACCEDED TO THE REQUEST OF THE SENATE FOR A COMMITTEE OF CONFERENCE ON THE FOLLOWING HOUSE BILL:

H.B. 5001. A BILL for all proposed appropriations of the Budget submitted by the Governor of Virginia in accordance with the provisions of § 2.2-1509, Code of Virginia, to provide a portion of revenues for the two years ending respectively on the thirtieth day of June, 2005, and the thirtieth day of June, 2006, and to amend and reenact §§ 58.1-302, 58.1-320, 58.1-321, 58.1-322, 58.1-391, 58.1-392, 58.1-441, 58.1-603, 58.1-604, 58.1-604.1, 58.1-611.1, 58.1-614, 58.1-615, 58.1-627, 58.1-628, 58.1-639, 58.1-901, 58.1-902, 58.1-1001, 58.1-3524, 58.1-3526, 58.1-3528, 58.1-3531, 58.1-3830, 58.1-3840 and 58.1-3912 of the Code of Virginia, to amend the Code of Virginia by adding in Title 32.1 a chapter numbered 15, consisting of sections numbered 32.1-366 through 32.1-367, to amend the Code of Virginia by adding §§ 58.1-390.1, 58.1-390.2, 58.1-393.1, 58.1-394.2 and 58.1-395, and repealing §§ 58.1-390, 58.1-394, and 58.1-3831 of the Code of Virginia and repealing Chapter 289 of the 1989 Acts of Assembly.

THE HOUSE OF DELEGATES HAS AGREED TO THE FOLLOWING HOUSE JOINT RESOLUTION:

H.J.R. 5008. Commending the Woodside High School boys' basketball team.

THE HOUSE OF DELEGATES HAS AGREED TO THE FOLLOWING SENATE JOINT RESOLUTIONS:

S.J.R. 5003. On the death of Edwin Williams Lynch.

S.J.R. 5004. Commending the Magna Vista High School girls' basketball team.

/s/ Bruce F. Jamerson
Clerk, House of Delegates

The House joint resolution, communicated as agreed to by the House of Delegates, was laid on the Clerk's Desk under Senate Rule 26 (g) as follows:

H.J.R. 5008.

CONFERENCE PROCEDURES

Senator Chichester, Chair of the Committee on Finance, appointed Senators Chichester, Wampler, Stosch, and Colgan, the conferees on the part of the Senate for **H.B. 5001** (five thousand one).

UNFINISHED BUSINESS—HOUSE

H.B. 5002 (five thousand two) was taken up.

RULING OF THE CHAIR

The Chair ruled that **H.B. 5002** was not properly before the Senate.

The Chair directed the Clerk to return **H.B. 5002** to the House of Delegates.

OTHER BUSINESS

Pursuant to Senate Rule 26 (f), the Clerk reported that Senator Rerras had been removed as a co-patron of **S.B. 5002** (five thousand two).

On motion of Senator Devolites, a leave of absence for the day was granted Senator Bell.

On motion of Senator Williams, a leave of absence for the day was granted Senator Newman.

On motion of Senator Cuccinelli, a leave of absence for the day was granted Senator O'Brien.

On motion of Senator Quayle, a leave of absence for the day was granted Senator Potts.

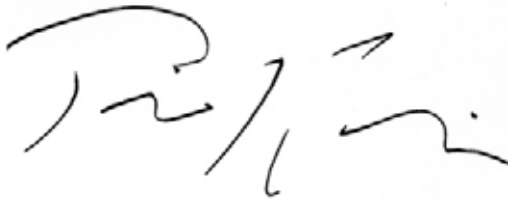
On motion of Senator Mims, a leave of absence for the day was granted Senator Ruff.

On motion of Senator Howell, a leave of absence for the day was granted Senator Saslaw.

On motion of Senator Miller, a leave of absence for the day was granted Senator Ticer.

On motion of Senator Watkins, a leave of absence for the day was granted Senator Wagner.

On motion of Senator Chichester, the Senate adjourned until Wednesday, March 24, 2004, at 12 m.

A handwritten signature in black ink, appearing to read 'Timothy M. Kaine', written in a cursive style.

Timothy M. Kaine
President of the Senate

A handwritten signature in black ink, appearing to read 'Susan Clarke Schaar', written in a cursive style.

Susan Clarke Schaar
Clerk of the Senate

WEDNESDAY, MARCH 24, 2004

The Senate met at 12 m. and was called to order by Lieutenant Governor Timothy M. Kaine.

The Reverend C. Douglas Smith, Virginia Interfaith Center for Public Policy, Richmond, Virginia, offered the following prayer:

Our God, we know why we are here. Called from the corners of Your Commonwealth, the leaders in this room have returned to heal the broken bonds caused by our present budget battles. We are not sure where the impasse will lead us, or how this present tension will affect the families and citizens behind the line items and numbers, but we are sure that the people are calling on us to fulfill our work. So we are asking You, O God, to help us complete the responsibility entrusted to each of us in this room.

Strengthen the resolve of those for whom principle is greater than politics, clarity greater than clarion calls, and justice unmatched. We pray particularly for our brothers: John H. Chichester, William C. Wampler, Walter A. Stosch, and Chuck J. Colgan. O God, grant that they, and all budget conferees, might speak and act with vision and fairness. Give them the patience and clarity of emotion to work with one another and to lead Virginia. For Yours is the power and the promise of peace. Amen.

The roll was called and the following Senators answered to their names:

Bell, Blevins, Bolling, Chichester, Deeds, Devolites, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Marsh, Martin, Miller, Norment, O'Brien, Potts, Puller, Quayle, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple.

A quorum was present.

After the roll call, Senators Colgan, Lucas, Mims, and Obenshain notified the Clerk of their presence.

On motion of Senator Marsh, the reading of the Journal was waived.

The recorded vote is as follows:

YEAS--30. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Bolling, Chichester, Deeds, Devolites, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Marsh, Martin, Miller, Norment, O'Brien, Potts, Puller, Quayle, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple--30.

NAYS--0.

RULE 36--0.

INTRODUCTION OF LEGISLATION

The following, by leave, were presented, ordered to be printed, and referred under Senate Rule 11 (b):

S.B. 5003. A BILL to amend and reenact §§ 58.1-609.3 and 58.1-611.1 of the Code of Virginia, relating to certain sales and use tax exemptions and reductions, and appropriating the resulting additional revenue.

Patron--Quayle

Referred to Committee on Finance

S.B. 5004. A BILL to amend and reenact the thirteenth enactment of Chapter 1042 of the Acts of Assembly of 2003, as amended by the 2004 Session of the General Assembly, and to further amend Chapter 1042 of the Acts of Assembly of 2003, as amended by the 2004 Session of the General Assembly, by adding a fifteenth enactment so as to appropriate the public revenue for the period beginning on the first day of July 2004 and ending on the thirtieth day of June 2005.

Patron--O'Brien

Referred to Committee on Finance

CALENDAR

COMMENDING RESOLUTION

H.J.R. 5008 (five thousand eight), on motion of Senator Norment, was agreed to.

At 12:15 p.m., Senator Norment moved that the Senate recess until 1:30 p.m.

The motion was agreed to.

The hour of 1:30 p.m. having arrived, the Chair was resumed.

COMMITTEE REPORTS

The following bill, having been considered by the committee in session, was reported by Senator Chichester from the Committee on Finance:

S.B. 5003 (five thousand three) with amendment.

The following bill, having been considered by the committee in session, was reported by Senator Martin from the Committee on Privileges and Elections:

S.B. 5002 (five thousand two) with amendment.

SUPPLEMENTAL CALENDAR NO. 1

SENATE BILLS ON FIRST READING

S.B. 5002 (five thousand two) was taken up.

Senator Saslaw moved that the Rules be suspended and the first reading of the title of **S.B. 5002** as required by Article IV, Section 11, of the Constitution, be dispensed with.

The motion was agreed to.

The recorded vote is as follows:

YEAS--33. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Chichester, Colgan, Deeds, Devolites, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Martin, Miller, Mims, Norment, Obenshain, O'Brien, Potts, Puller, Quayle, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple--33.

NAYS--0.

RULE 36--0.

S.B. 5002 was read by title the second time.

The following amendment proposed by the Committee on Privileges and Elections was offered:

1. Line 22, introduced, after through

strike

adjournment sine die of that session

insert

the later of the following: (i) adjournment sine die of that session or (ii) during an even-numbered year; the date on which the general appropriation bill for the two-year period commencing July 1 of that year has been approved by each house of the General Assembly in identical form, pursuant to clause (d) of Section 11 of Article IV of the Constitution of Virginia

The reading of the amendment was waived.

On motion of Senator Saslaw, the amendment was agreed to.

Senator Saslaw moved that **S.B. 5002** be engrossed and read by title the third time.

Senator O'Brien moved that **S.B. 5002** be passed by for the day.

The question was put on passing by for the day **S.B. 5002**.

The motion was rejected.

On motion of Senator Saslaw, the bill was ordered to be engrossed and read by title the third time.

Senator Saslaw moved that the Rules be suspended and the third reading of the title of **S.B. 5002** as required by Article IV, Section 11, of the Constitution, be dispensed with.

The motion was agreed to.

The recorded vote is as follows:

YEAS--33. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Chichester, Colgan, Deeds, Devolites, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Martin, Miller, Mims, Norment, Obenshain, O'Brien, Potts, Puller, Quayle, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple--33.

NAYS--0.

RULE 36--0.

S.B. 5002, on motion of Senator Saslaw, was passed with its title.

The recorded vote is as follows:

YEAS--33. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Chichester, Colgan, Deeds, Devolites, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Martin, Miller, Mims, Norment, Obenshain, O'Brien, Potts, Puller, Quayle, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple--33.

NAYS--0.

RULE 36--0.

S.B. 5003 (five thousand three) was taken up.

Senator Quayle moved that the Rules be suspended and the first reading of the title of **S.B. 5003** as required by Article IV, Section 11, of the Constitution, be dispensed with.

The motion was agreed to.

The recorded vote is as follows:

YEAS--33. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Chichester, Colgan, Deeds, Devolites, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Martin, Miller, Mims, Norment, Obenshain, O'Brien, Potts, Puller, Quayle, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple--33.

NAYS--0.

RULE 36--0.

S.B. 5003 was read by title the second time.

The following amendment proposed by the Committee on Finance was offered:

1. Line 175, introduced, after same,
strike
the public utility is not
insert
neither the public utility nor the Commission is

The reading of the amendment was waived.

On motion of Senator Quayle, the amendment was agreed to.

On motion of Senator Quayle, the bill was ordered to be engrossed and read by title the third time.

Senator Quayle moved that the Rules be suspended and the third reading of the title of **S.B. 5003** as required by Article IV, Section 11, of the Constitution, be dispensed with.

The motion was agreed to.

The recorded vote is as follows:

YEAS--32. NAYS--0. RULE 36--1.

YEAS--Bell, Blevins, Chichester, Colgan, Deeds, Devolites, Hanger, Hawkins, Houck, Howell, Locke, Lucas, Marsh, Martin, Miller, Mims, Norment, Obenshain, O'Brien, Potts, Puller, Quayle, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple--32.

NAYS--0.

RULE 36--Lambert--1.

S.B. 5003, on motion of Senator Quayle, was passed with its title.

The recorded vote is as follows:

YEAS--28. NAYS--3. RULE 36--1.

YEAS--Bell, Blevins, Chichester, Colgan, Deeds, Devolites, Hanger, Hawkins, Houck, Howell, Locke, Lucas, Miller, Mims, Norment, Potts, Puller, Quayle, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple--28.

NAYS--Martin, Obenshain, O'Brien--3.

RULE 36--Lambert--1.

On motion of Senator O'Brien, a leave of absence for the day was granted Senator Cuccinelli.

On motion of Senator Whipple, a leave of absence for the day was granted Senator Edwards.

On motion of Senator Saslaw, a leave of absence for the day was granted Senator Newman.

On motion of Senator Reynolds, a leave of absence for the day was granted Senator Puckett.

On motion of Senator Bolling, a leave of absence for the day was granted Senator Rerras.

On motion of Senator Saslaw, a leave of absence for the day was granted Senator Williams.

On motion of Senator Chichester, the Senate adjourned until Saturday, March 27, 2004, at 12 m.



Timothy M. Kaine
President of the Senate



Susan Clarke Schaar
Clerk of the Senate

SATURDAY, MARCH 27, 2004

The Senate met at 12 m. and was called to order by Lieutenant Governor Timothy M. Kaine.

John McE. Garrett, Deputy Clerk of the Senate and Elder at St. James Presbyterian Church, King William, Virginia, offered the following prayer:

May we pray together as we listen to these words from the Book of Ecclesiastes:

¹“For everything there is a season, and a time for every matter under heaven:

²... a time to plant, and a time to reap;

⁴... a time to cry, and a time to laugh; ...

⁵a time to throw away stones, and a time to gather stones together;

a time to embrace, ...

a time to keep silence, and a time to speak;

⁸... and a time for peace.

⁹“What gain have the workers from their toil? ...”

God has made everything suitable for its time; moreover, God has put a sense of past and future into our minds ... Amen.

The roll was called and the following Senators answered to their names:

Bell, Blevins, Bolling, Chichester, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Lambert, Locke, Lucas, Martin, Miller, Mims, Norment, Obenshain, Potts, Quayle, Rerras, Reynolds, Ruff, Stolle, Stosch, Wagner, Watkins.

A quorum was present.

After the roll call, Senators Cuccinelli, Marsh, Puller, and Ticer notified the Clerk of their presence.

On motion of Senator Lucas, the reading of the Journal was waived.

The recorded vote is as follows:

YEAS--27. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Bolling, Chichester, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Lambert, Locke, Lucas, Martin, Miller, Mims, Norment, Obenshain, Potts, Quayle, Rerras, Reynolds, Ruff, Stolle, Stosch, Wagner, Watkins--27.

NAYS--0.

RULE 36--0.

INTRODUCTION OF LEGISLATION

The following, by leave, was presented and laid on the Clerk's Desk under Senate Rule 26 (g):

S.J.R. 5005. On the death of Rev. Lloyd Franklin Stephenson.

Patron--Locke

OTHER BUSINESS

Pursuant to Senate Rule 26 (f), the Clerk reported that Senator Cuccinelli had been added as a co-patron of **S.B. 5004** (five thousand four).

On motion of Senator Houck, a leave of absence for the day was granted Senator Colgan.

On motion of Senator Houck, a leave of absence for the day was granted Senator Howell.

On motion of Senator Houck, a leave of absence for the day was granted Senator Newman.

On motion of Senator Cuccinelli, a leave of absence for the day was granted Senator O'Brien.

On motion of Senator Reynolds, a leave of absence for the day was granted Senator Puckett.

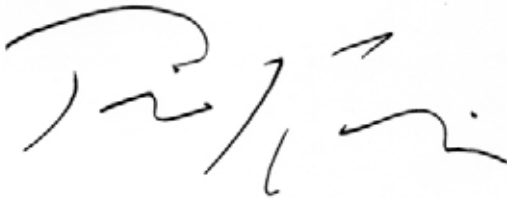
On motion of Senator Houck, a leave of absence for the day was granted Senator Saslaw.

On motion of Senator Chichester, a leave of absence for the day was granted Senator Wampler.

On motion of Senator Lucas, a leave of absence for the day was granted Senator Whipple.

On motion of Senator Houck, a leave of absence for the day was granted Senator Williams.

On motion of Senator Chichester, the Senate adjourned until Tuesday, March 30, 2004, at 9:00 a.m.



Timothy M. Kaine
President of the Senate



Susan Clarke Schaar
Clerk of the Senate

TUESDAY, MARCH 30, 2004

The Senate met at 9:00 a.m. and was called to order by Lieutenant Governor Timothy M. Kaine.

John McE. Garrett, Deputy Clerk of the Senate and Elder at St. James Presbyterian Church, King William, Virginia, offered the following prayer:

O God, our help in ages past, we pray today that Your presence be upon those who are seeking common ground. Give to them and those supporting them the wisdom and the stamina to complete their task. Amen.

The roll was called and the following Senators answered to their names:

Stosch, Watkins.

Two Senators were present.

On motion of Senator Watkins, the reading of the Journal was waived.

The recorded vote is as follows:

YEAS--2. NAYS--0. RULE 36--0.

YEAS--Stosch, Watkins--2.


NAYS--0.

RULE 36--0.

OTHER BUSINESS

Pursuant to the provisions of Rule 2 (c), the President pro tempore named Senator Stephen Martin to perform the duties of the Presiding Officer in his absence on April 2, 2004.

On motion of Senator Stosch, the Senate adjourned until Friday, April 2, 2004, at 12 m.



Timothy M. Kaine
President of the Senate



Susan Clarke Schaar
Clerk of the Senate

FRIDAY, APRIL 2, 2004

The Senate met at 12 m. and was called to order by the Acting President pro tempore, Senator Stephen Martin.

Nathan Hatfield, Senate Legislative Information Officer and Deacon at First Baptist Church, Hopewell, Virginia, offered the following prayer:

May we be mindful of God's Holy word from the fifth chapter of Romans, verses three and four:

³ And not only so, but we glory in tribulations also: knowing that tribulation worketh patience;

⁴ And patience, experience; and experience, hope"

Almighty God, give us the grace of success in the work that we do. Help us to give it the careful thought and the strict attention that will lead to success. Watch over us and govern our actions. Show us how to give our best, and let us not despise the toil that is necessary to complete it. Give us the blessing of Your help and guidance, and suffer us not to fail.

In Him give us courage and strength. Amen.

The roll was called and the following Senators answered to their names:

Bell, Bolling, Martin.

Three Senators were present.

On motion of Senator Bell, the reading of the Journal was waived.

The recorded vote is as follows:

YEAS--3. NAYS--0. RULE 36--0.

YEAS--Bell, Bolling, Martin--3.

NAYS--0.

RULE 36--0.

INTRODUCTION OF LEGISLATION

The following, by leave, was presented, ordered to be printed, and referred under Senate Rule 11 (b):

S.B. 5005. A BILL to amend and reenact §§ 3.1-1111, 30-133, 58.1-611.1, 58.1-3523, 58.1-3534, 58.1-3535, 58.1-3912, and 58.1-3916 of the Code of Virginia, to amend the Code of Virginia by adding a section numbered 58.1-3523.1, and to repeal §§ 15.2-1636.20, 58.1-3524, 58.1-3525, 58.1-3526, 58.1-3527, 58.1-3528, 58.1-3529, 58.1-3530, 58.1-3531, 58.1-3532, 58.1-3533, 58.1-3536, and 58.1-3916.01 of the Code of Virginia, relating to the revenues of the Commonwealth.

Patron--Bell

Referred to Committee on Finance

OTHER BUSINESS

Pursuant to the provisions of Rule 2 (c), the President pro tempore named Senator John Watkins to perform the duties of the Presiding Officer in his absence on April 5, 2004.

On motion of Senator Bolling, the Senate adjourned until Monday, April 5, 2004, at 12 m.

A handwritten signature in black ink, appearing to read "Stephen Martin". The signature is written in a cursive, flowing style.

Stephen Martin
Acting President pro tempore of the Senate

A handwritten signature in black ink, appearing to read "Susan Clarke Schaar". The signature is written in a cursive, flowing style.

Susan Clarke Schaar
Clerk of the Senate

MONDAY, APRIL 5, 2004

The Senate met at 12 m. and was called to order by the Acting President pro tempore, Senator John Watkins.

John McE. Garrett, Deputy Clerk of the Senate and Elder at St. James Presbyterian Church, King William, Virginia, offered the following prayer:

O God of our past, present and future, in these times let hope and faith pervade the lives of these Senators as they are confronted with issues of government. Let them feel the joy of Your creation to help them confront the frustration of mortal matters. Amen.

The roll was called and the following Senators answered to their names:

Lambert, Watkins.

Two Senators were present.

On motion of Senator Lambert, the reading of the Journal was waived.

The recorded vote is as follows:
YEAS--2. NAYS--0. RULE 36--0.

YEAS--Lambert, Watkins--2.
NAYS--0.
RULE 36--0.

On motion of Senator Lambert, the Senate adjourned until Wednesday, April 7, 2004, at 3:00 p.m.



John Watkins
Acting President pro tempore of the Senate



Susan Clarke Schaar
Clerk of the Senate

WEDNESDAY, APRIL 7, 2004

The Senate met at 3:00 p.m. and was called to order by Lieutenant Governor Timothy M. Kaine.

Susan Clarke Schaar, Clerk of the Senate and member of Second Baptist Church, Richmond, Virginia, offered the following prayer:

Blessed are the PEACEMAKERS,
for they shall be known as
the Children of God.
But I say to you that hear, love your enemies,
do good to those who hate you,
bless those who curse you,
pray for those who abuse you.
To those that strike you on the cheek,
offer the other one also,
and from those who take away your cloak,
do not withhold your coat as well.
Give to everyone who begs from you,
and of those who take away your goods,
do not ask for them again.
And as you wish that others do to you,
do so to them.
Amen.

The roll was called and the following Senators answered to their names:

Lambert, Watkins.

Two Senators were present.

On motion of Senator Watkins, the reading of the Journal was waived.

The recorded vote is as follows:
YEAS--2. NAYS--0. RULE 36--0.

YEAS--Lambert, Watkins--2.
NAYS--0.
RULE 36--0.

HOUSE COMMUNICATION

The following communication was received and read:

In the House of Delegates
April 6, 2004

THE HOUSE OF DELEGATES HAS AGREED TO THE FOLLOWING HOUSE JOINT RESOLUTIONS:

H.J.R. 5009. Commending the Reverend Doctor John H. Foster.

H.J.R. 5010. Commending Robert E. Simon.

H.J.R. 5011. Commending Willis White.

H.J.R. 5012. Commending Barbara M. Nesbitt.

H.J.R. 5013. Commending the W. T. Woodson High School Precisionettes.

IN WHICH ACTION IT REQUESTS THE CONCURRENCE OF THE SENATE.

/s/ Bruce F. Jamerson
Clerk, House of Delegates

The House joint resolutions, communicated as agreed to by the House of Delegates, were laid on the Clerk's Desk under Senate Rule 26 (g) as follows:

H.J.R. 5009, H.J.R. 5010, H.J.R. 5011, H.J.R. 5012, and H.J.R. 5013.

On motion of Senator Lambert, the Senate adjourned until Friday, April 9, 2004, at 10:00 a.m.



Timothy M. Kaine
President of the Senate



Susan Clarke Schaar
Clerk of the Senate

FRIDAY, APRIL 9, 2004

The Senate met at 10:00 a.m. and was called to order by Lieutenant Governor Timothy M. Kaine.

Senator John Watkins, Christ the King Lutheran Church, Richmond, Virginia, offered the following prayer:

Our heavenly Father, as we gather here today as members of the Senate of Virginia, help us to remember that we are gathered only as servants of the people of this great Commonwealth and servants of our Lord. Let us always look to Thy guidance as we seek human answers to human questions, that we may always remember that those answers should indeed reflect what we have learned in Thy name.

As we gather, we seek Your indulgence in our debate and request Your deliverance from our human frailties as we try to respond to those we serve. Help us to understand the difference between needs and wants, the difference between greed and prudence, and the difference between public service and the next election. Help us to always remember that we are humans in a sea of human temptations and that our character will be borne out not by our words but by our actions.

We pray this day for a resolution to the questions that we have and the temptations that we bear. We ask for Thy guidance and Thy direction and request Thy blessings on all assembled this day. Amen.

The roll was called and the following Senators answered to their names:

Marsh, Martin, Watkins.

Three Senators were present.

On motion of Senator Martin, the reading of the Journal was waived.

The recorded vote is as follows:

YEAS--3. NAYS--0. RULE 36--0.

YEAS--Marsh, Martin, Watkins--3.

NAYS--0.

RULE 36--0.

HOUSE COMMUNICATION

The following communication was received and read:

In the House of Delegates
April 7, 2004

THE HOUSE OF DELEGATES HAS PASSED THE FOLLOWING HOUSE BILL:

H.B. 5008. A BILL to appropriate funds of and for the Commonwealth for the period July 1, 2004, through June 30, 2005.

THE HOUSE OF DELEGATES HAS AGREED TO THE FOLLOWING HOUSE JOINT RESOLUTION:

H.J.R. 5014. Celebrating the life of Joyce Shields Untiedt.

IN WHICH ACTION IT REQUESTS THE CONCURRENCE OF THE SENATE.

/s/ Bruce F. Jamerson
Clerk, House of Delegates

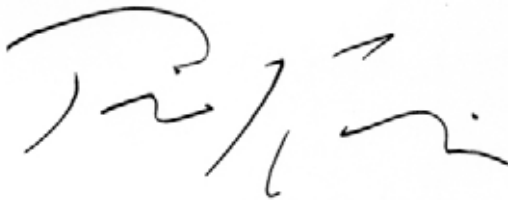
The House bill communicated as passed by the House of Delegates, the first reading of its title required by the Constitution having been dispensed with, was referred as follows:

H.B. 5008 was referred to the Committee on Finance.

The House joint resolution, communicated as agreed to by the House of Delegates, was laid on the Clerk's Desk under Senate Rule 26 (g) as follows:

H.J.R. 5014.

On motion of Senator Marsh, the Senate adjourned until Monday, April 12, 2004, at 3:00 p.m.

A handwritten signature in black ink, appearing to read "Timothy M. Kaine". The signature is fluid and cursive, with a large initial "T" and "M".

Timothy M. Kaine
President of the Senate

A handwritten signature in black ink, appearing to read "Susan Clarke Schaar". The signature is cursive and elegant, with a large initial "S".

Susan Clarke Schaar
Clerk of the Senate

MONDAY, APRIL 12, 2004

The Senate met at 3:00 p.m. and was called to order by Lieutenant Governor Timothy M. Kaine.

John McE. Garrett, Deputy Clerk of the Senate and Elder at St. James Presbyterian Church, King William, Virginia, offered the following prayer:

God, we pray today that Your divine providence will be in the lives of our Senators as they prepare to make decisions that will affect the lives of many.

We pray also for all troops abroad. May You be with them in their time of need. Amen.

The roll was called and the following Senators answered to their names:

Lambert, Watkins.

Two Senators were present.

On motion of Senator Lambert, the reading of the Journal was waived.

The recorded vote is as follows:

YEAS--2. NAYS--0. RULE 36--0.

YEAS--Lambert, Watkins--2.

NAYS--0.

RULE 36--0.

INTRODUCTION OF LEGISLATION


The following, by leave, was presented, ordered to be printed, and referred under Senate Rule 11 (b):

S.B. 5006. A BILL to amend the Code of Virginia by adding in Part B of Subtitle II of Title 2.2 a chapter numbered 51.1, consisting of sections numbered 2.2-5105 through 2.2-5108, relating to the Virginia Economic Development Incentive Act.

Patron--Lambert

Referred to Committee on Finance

On motion of Senator Watkins, the Senate adjourned until tomorrow at 12 m.



Timothy M. Kaine
President of the Senate



Susan Clarke Schaar
Clerk of the Senate

TUESDAY, APRIL 13, 2004

The Senate met at 12 m. and was called to order by Lieutenant Governor Timothy M. Kaine.

The Reverend C. Douglas Smith, Virginia Interfaith Center for Public Policy, Richmond, Virginia, offered the following prayer:

Compassionate God, Our True Hope, in You, Lord, we take refuge; let us never be put to shame for standing on principles and speaking for those who cannot speak for themselves.

In Your justice deliver us as important decisions are made this day about our state's budget; incline Your ear to us; make haste to rescue the witness of us!

Be our rock of refuge, a foothold to save us from those who would attempt to pressure opinion and those who are threatening to work against us.

You are our rock and our fortress; for Your name's sake lead and guide us to stand firm in our convictions. Free us from the net they set for us while trying to lead us to do wrong. Empower us to do right.

You are our refuge.

Strengthen us to lead this Commonwealth.

Amen.

The roll was called and the following Senators answered to their names:

Bell, Blevins, Bolling, Chichester, Colgan, Deeds, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple.

A quorum was present.

After the roll call, Senators Cuccinelli and Obenshain notified the Clerk of their presence.

On motion of Senator O'Brien, the reading of the Journal was waived.

The recorded vote is as follows:

YEAS--36. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Bolling, Chichester, Colgan, Deeds, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple--36.

NAYS--0.

RULE 36--0.

INTRODUCTION OF LEGISLATION

The following, by leave, were presented and laid on the Clerk's Desk under Senate Rule 26 (g):

S.J.R. 5006. Commending C. P. Williams.

Patron--Puckett

S.J.R. 5007. Commending the Madison County High School marching band.

Patrons--Houck; Delegate: Scott, E.T.

At 1:45 p.m., Senator Norment moved that the Senate recess until 5:10 p.m.

The motion was agreed to.

The hour of 5:10 p.m. having arrived, the Chair was resumed.

HOUSE COMMUNICATION

The following communication was received and read:

In the House of Delegates
April 13, 2004

THE HOUSE OF DELEGATES HAS PASSED THE FOLLOWING HOUSE BILL:

H.B. 5018. A BILL to amend and reenact §§ 58.1-302, 58.1-321, 58.1-322, 58.1-391, 58.1-392, 58.1-402, 58.1-441, 58.1-603, 58.1-604, 58.1-604.1, 58.1-605, 58.1-606, 58.1-609.3, 58.1-611.1, 58.1-614, 58.1-615, 58.1-627, 58.1-628, 58.1-639, 58.1-801, 58.1-803, 58.1-807, 58.1-808, 58.1-901, 58.1-1001, and 58.1-3833 of the Code of Virginia, to amend the Code of Virginia by adding sections numbered 58.1-390.1, 58.1-390.2, and 58.1-393.1, and by adding in Article 9 of Chapter 3 of Title 58.1 sections numbered 58.1-394.1, 58.1-394.2, and 58.1-395, and to repeal §§ 58.1-390 and 58.1-394 of the Code of Virginia, relating to revenues for appropriation throughout the Commonwealth and its localities as part of the Tax Reform Compromise Act of 2004.

IN WHICH ACTION IT REQUESTS THE CONCURRENCE OF THE SENATE.

/s/ Bruce F. Jamerson
Clerk, House of Delegates

The House bill communicated as passed by the House of Delegates, the first reading of its title required by the Constitution having been dispensed with, was referred as follows:

H.B. 5018 was referred to the Committee on Finance.

OTHER BUSINESS

Pursuant to Senate Rule 26 (f), the Clerk reported that Senator Bolling had been added as a co-patron of **S.B. 5004** (five thousand four).

On motion of Senator Bell, a leave of absence for the day was granted Senator Devolites on account of pressing business.

On motion of Senator Saslaw, a leave of absence for the day was granted Senator Williams on account of pressing business.

HONORARY ADJOURNMENT

Senator Deeds addressed the Senate in memory of Thomas Jefferson.

Senator Deeds requested that when the Senate adjourns today, it adjourn in memory of Thomas Jefferson.

On motion of Senator Chichester, the Senate, in memory of Thomas Jefferson, adjourned until Friday, April 16, 2004, at 12 m.

A handwritten signature in black ink, appearing to read "Tim Kaine". The signature is fluid and cursive, with a large initial "T" and "K".

Timothy M. Kaine
President of the Senate

A handwritten signature in black ink, appearing to read "Susan Clarke Schaar". The signature is highly stylized and cursive, with a large initial "S".

Susan Clarke Schaar
Clerk of the Senate

FRIDAY, APRIL 16, 2004

The Senate met at 12 m. and was called to order by Lieutenant Governor Timothy M. Kaine.

Nathan Hatfield, Senate Legislative Information Officer and Deacon at First Baptist Church, Hopewell, Virginia, offered the following prayer:

Gracious God, You set the stars to move in precise rhythm, and You can bring order to our affairs. To You a thousand years is but a day, and You can give us the patience to live today as a day of grace. To You one day can be as a thousand years, and You can help us to live today with hope and patience of eternity.

In Him give me courage and strength. Amen.

The roll was called and the following Senators answered to their names:

Lambert, Marsh, Norment.

Three Senators were present.

On motion of Senator Marsh, the reading of the Journal was waived.

The recorded vote is as follows:

YEAS--3. NAYS--0. RULE 36--0.

YEAS--Lambert, Marsh, Norment--3.

NAYS--0.

RULE 36--0.

COMMUNICATIONS

The following communications were received and read:

SUPREME COURT OF VIRGINIA
100 North Ninth Street
Richmond, Virginia 23219-2334

April 9, 2004

The Honorable Kenneth W. Stolle
Member, Senate of Virginia
Chair, Senate Courts of Justice
700 Pavilion Center, Box 626
Virginia Beach, VA 23451

The Honorable Robert F. McDonnell
Member, House of Delegates
Chair, House Courts of Justice
Post Office Box 62244
Virginia Beach, VA 23466

Dear Senator Stolle and Delegate McDonnell:

This is to advise you of recent actions taken by the Committee on District Courts.

The Committee considered certifying the necessity to fill a vacancy in the office of judge in the General District Court of the Second Judicial District. Such vacancy exists because of the impending retirement of Judge Albert D. Alberi on May 1, 2004.

The Committee asked me to inform you that, after investigation, it has concluded that there is a necessity that this vacancy be filled. Therefore, pursuant to § 16.1-69.9:3, *Code of Virginia*, 1950, as amended, the Committee hereby certifies the necessity of filling the vacancy in the office of judge in the General District Court of the Second Judicial District.

With kind regards and best wishes,

Very truly yours,

/s/ Robert N. Baldwin
Executive Secretary

SUPREME COURT OF VIRGINIA
100 North Ninth Street
Richmond, Virginia 23219-2334

April 9, 2004

The Honorable Kenneth W. Stolle
Member, Senate of Virginia
Chair, Senate Courts of Justice
700 Pavilion Center, Box 626
Virginia Beach, VA 23451

The Honorable Robert F. McDonnell
Member, House of Delegates
Chair, House Courts of Justice
Post Office Box 62244
Virginia Beach, VA 23466

Dear Senator Stolle and Delegate McDonnell:

This is to advise you of recent actions taken by the Committee on District Courts.

The Committee considered certifying the necessity to fill a vacancy in the office of judge in the General District Court of the Thirteenth Judicial District. Such vacancy exists because of the retirement of Judge Ralph B. Robertson on April 1, 2004.

The Committee asked me to inform you that, after investigation, it has concluded that there is a necessity that this vacancy be filled. Therefore, pursuant to § 16.1-69.9:3, *Code of Virginia*, 1950, as amended, the Committee hereby certifies the necessity of filling the vacancy in the office of judge in the General District Court of the Thirteenth Judicial District.

With kind regards and best wishes,

Very truly yours,

/s/ Robert N. Baldwin
Executive Secretary

SUPREME COURT OF VIRGINIA
100 North Ninth Street
Richmond, Virginia 23219-2334

April 9, 2004

The Honorable Kenneth W. Stolle
Member, Senate of Virginia
Chair, Senate Courts of Justice
700 Pavilion Center, Box 626
Virginia Beach, VA 23451

The Honorable Robert F. McDonnell
Member, House of Delegates
Chair, House Courts of Justice
Post Office Box 62244
Virginia Beach, VA 23466

Dear Senator Stolle and Delegate McDonnell:

This is to advise you of recent actions taken by the Committee on District Courts.

The Committee considered certifying the necessity to fill a vacancy in the office of judge in the General District Court of the Sixteenth Judicial District. Such vacancy exists because of the impending retirement of Judge William A. Talley, Jr., on June 1, 2004.

The Committee asked me to inform you that, after investigation, it has concluded that there is a necessity that this vacancy be filled. Therefore, pursuant to § 16.1-69.9:3, *Code of Virginia*, 1950, as amended, the Committee hereby certifies the necessity of filling the vacancy in the office of judge in the General District Court of the Sixteenth Judicial District.

With kind regards and best wishes,

Very truly yours,

/s/ Robert N. Baldwin
Executive Secretary

SUPREME COURT OF VIRGINIA
100 North Ninth Street
Richmond, Virginia 23219-2334

April 9, 2004

The Honorable Kenneth W. Stolle
Member, Senate of Virginia
Chair, Senate Courts of Justice
700 Pavilion Center, Box 626
Virginia Beach, VA 23451

The Honorable Robert F. McDonnell
Member, House of Delegates
Chair, House Courts of Justice
Post Office Box 62244
Virginia Beach, VA 23466

Dear Senator Stolle and Delegate McDonnell:

This is to advise you of recent actions taken by the Committee on District Courts.

The Committee considered certifying the necessity to fill a vacancy in the office of judge in the Juvenile and Domestic Relations District Court of the Seventh Judicial District. Such vacancy exists because of the elevation of Judge Aundria D. Foster to the circuit court bench effective July 1, 2004.

The Committee asked me to inform you that, after investigation, it has concluded that there is a necessity that this vacancy be filled. Therefore, pursuant to § 16.1-69.9:3, *Code of Virginia*, 1950, as amended, the Committee hereby certifies the necessity of filling the vacancy in the office of judge in the Juvenile and Domestic Relations District Court of the Seventh Judicial District.

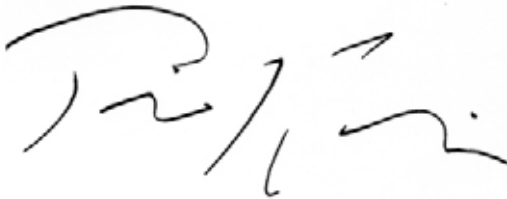
With kind regards and best wishes,

Very truly yours,

/s/ Robert N. Baldwin
Executive Secretary

The communications were referred to the Committee for Courts of Justice.

On motion of Senator Lambert, the Senate adjourned until Sunday, April 18, 2004, at 5:00 p.m.



Timothy M. Kaine
President of the Senate



Susan Clarke Schaar
Clerk of the Senate

SUNDAY, APRIL 18, 2004

The Senate met at 5:00 p.m. and was called to order by Lieutenant Governor Timothy M. Kaine.

Susan Clarke Schaar, Clerk of the Senate and member of Second Baptist Church, Richmond, Virginia, offered the following prayer:

Heavenly Father—thank You for this glorious day! Be with our leaders as they try to forge a compromise that will benefit Virginia now and into the future. Be with employees as they practice flexibility and a sense of humor. Be with the families of all of us as they make sacrifices during these times. Bless our legislators as they strive to do what is right, not political. Amen.

The roll was called and the following Senators answered to their names:

Chichester, Stosch.


Two Senators were present.

On motion of Senator Stosch, the reading of the Journal was waived.

The recorded vote is as follows:
YEAS--2. NAYS--0. RULE 36--0.

YEAS--Chichester, Stosch--2.
NAYS--0.
RULE 36--0.

On motion of Senator Chichester, the Senate adjourned until Tuesday, April 20, 2004, at 3:00 p.m.



Timothy M. Kaine
President of the Senate



Susan Clarke Schaar
Clerk of the Senate

TUESDAY, APRIL 20, 2004

The Senate met at 3:00 p.m. and was called to order by Lieutenant Governor Timothy M. Kaine.

John McE. Garrett, Deputy Clerk of the Senate and Elder at St. James Presbyterian Church, King William, Virginia, offered the following prayer:

O God—we come before You recognizing Your greatness and our weakness. We pray that hope will replace despair and patience will overcome frustration in the affairs of mankind. Amen.

The roll was called and the following Senators answered to their names:

Hawkins, Lambert, Watkins.

Three Senators were present.

On motion of Senator Hawkins, the reading of the Journal was waived.

The recorded vote is as follows:

YEAS--3. NAYS--0. RULE 36--0.

YEAS--Hawkins, Lambert, Watkins--3.

NAYS--0.

RULE 36--0.

INTRODUCTION OF LEGISLATION

The following, by leave, was presented, ordered to be printed, and referred under Senate Rule 11 (b):

S.J.R. 5009. Requesting the Secretary of Natural Resources to study the nitrogen and phosphorous load allocations for the James River Basin and to provide draft tributary plans for the Chesapeake Bay watershed. Report.

Patron--Watkins

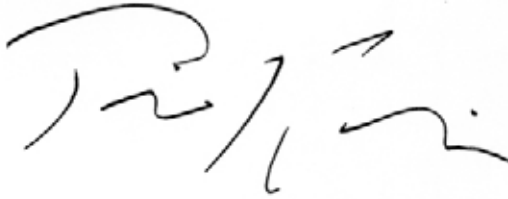
Referred to Committee on Rules

The following, by leave, was presented and laid on the Clerk's Desk under Senate Rule 26 (g):

S.J.R. 5008. On the death of Brigadier General James Edwin Huband.

Patron--Lambert

On motion of Senator Watkins, the Senate adjourned until tomorrow at 11:30 a.m.

A handwritten signature in black ink, appearing to read "Timothy M. Kaine". The signature is fluid and cursive, with a large initial "T" and a long, sweeping underline.

Timothy M. Kaine
President of the Senate

A handwritten signature in black ink, appearing to read "Susan Clarke Schaar". The signature is cursive and elegant, with a large initial "S" and a long, flowing underline.

Susan Clarke Schaar
Clerk of the Senate

WEDNESDAY, APRIL 21, 2004

The Senate met at 11:30 a.m. and was called to order by Lieutenant Governor Timothy M. Kaine.

Nathan Hatfield, Senate Legislative Information Officer and Deacon at First Baptist Church, Hopewell, Virginia, offered the following prayer:

“Now may our Lord Jesus Christ Himself and God our Father, who has loved us and given us eternal comfort and good hope by grace, comfort and strengthen your hearts in every good work and word.” 2 Thessalonians 2:16-17

God of strength and power, Your loving kindness is a refuge for me. In a world that is always shifting, You are the strong anchor for my thoughts, emotions and being. Teach me to wait on You and seek You daily, so that I may be strengthened even in the midst of trials and disappointments. Make Your power known through my life by helping me to focus on others and not my own needs. Forgive me for those times when I fail, and by your strength, prepare me for every good work. Amen.

The roll was called and the following Senators answered to their names:

Bell, Blevins, Chichester, Colgan, Deeds, Edwards, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Mims, Newman, O'Brien, Puckett, Quayle, Rerras, Reynolds, Ruff, Saslaw, Wampler, Watkins, Whipple.

A quorum was present.

After the roll call, Senators Martin, Puller, and Ticer notified the Clerk of their presence.

On motion of Senator Rerras, the reading of the Journal was waived.

The recorded vote is as follows:

YEAS--27. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Chichester, Colgan, Deeds, Edwards, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Martin, Mims, Newman, O'Brien, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Ticer, Wampler, Watkins, Whipple--27.

NAYS--0.

RULE 36--0.

INTRODUCTION OF LEGISLATION

The following, by leave, were presented, ordered to be printed, and referred under Senate Rule 11 (b):

S.J.R. 5017. Commemorating the 1962 opening of the Assateague Bridge.

Patrons--Rerras; Delegate: Lewis

Referred to Committee on Rules

S.J.R. 5018. Designating May 13th, in 2004 and in each succeeding year, as P.L.A.Y. Day in Virginia.

Patron--Newman

Referred to Committee on Rules

The following, by leave, were presented and laid on the Clerk's Desk under Senate Rule 26 (g):

S.J.R. 5010. On the death of George F. Barnes.

Patrons--Puckett, Bell, Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple and Williams

S.J.R. 5011. On the death of Robert E. Myers.

Patrons--Edwards and Bell

S.J.R. 5012. Commending Colonel Robert H. Wease.

Patrons--Edwards and Hanger; Delegate: Saxman

S.J.R. 5013. On the death of Judge George E. Honts III.

Patrons--Bell, Deeds, Edwards and Hanger; Delegates: Cline and Fralin

S.J.R. 5014. Commending Pamela Latt.

Patron--O'Brien

S.J.R. 5015. Celebrating the life of Denese Gibson-Crewe.

Patrons--O'Brien, Marsh, Bell, Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Martin, Miller, Mims, Newman, Norment, Obenshain, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple and Williams

S.J.R. 5016. On the death of William Allan Garrett.

Patrons--Hawkins; Delegates: Hurt and Marshall, D.W.

On motion of Senator Chichester, leaves of absence for the day were granted Senators Bolling, Cuccinelli, Devolites, Hanger, Marsh, Miller, Norment, Obenshain, Potts, Stolle, Stosch, Wagner, and Williams.

On motion of Senator Hawkins, the Senate adjourned until Friday, April 23, 2004, at 12 m.



Timothy M. Kaine
President of the Senate



Susan Clarke Schaar
Clerk of the Senate

FRIDAY, APRIL 23, 2004

The Senate met at 12 m. and was called to order by Lieutenant Governor Timothy M. Kaine.

Susan Clarke Schaar, Clerk of the Senate and member of Second Baptist Church, Richmond, Virginia, offered the following prayer:

“Dear God, be good to us.
The sea is so wide and our boat is so small.”
Amen.

The roll was called and the following Senators answered to their names:

Blevins, Bolling, Chichester, Colgan, Cuccinelli, Devolites, Houck, Howell, Locke, Marsh, Newman, Norment, Puller, Quayle, Ruff, Saslaw, Stolle, Ticer, Wagner, Whipple.

After the roll call, Senators Miller and Potts notified the Clerk of their presence.

A quorum was present.

On motion of Senator Houck, the reading of the Journal was waived.

The recorded vote is as follows:

YEAS--22. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Colgan, Cuccinelli, Devolites, Houck, Howell, Locke, Marsh, Miller, Newman, Norment, Potts, Puller, Quayle, Ruff, Saslaw, Stolle, Ticer, Wagner, Whipple--22.

NAYS--0.

RULE 36--0.

HOUSE COMMUNICATION

The following communication was received and read:

In the House of Delegates
April 21, 2004

THE HOUSE OF DELEGATES HAS PASSED THE FOLLOWING HOUSE BILL:

H.B. 5021. A BILL to amend and reenact §§ 2.2-2686 and 2.2-2689 of the Code of Virginia, relating to the Council on Virginia’s Future; duties; annual report.

THE HOUSE OF DELEGATES HAS AGREED TO THE FOLLOWING HOUSE JOINT RESOLUTIONS:

H.J.R. 5015. Commending Norval Hensley.

H.J.R. 5016. Commending the Arlington Free Clinic.

H.J.R. 5017. Commending the Whitman-Walker Clinic of Northern Virginia.

H.J.R. 5018. Requesting the House Committee on Finance and the Senate Committee on Finance to study the sales and use tax and individual and corporate income tax preferences found in Title 58.1 of the Code of Virginia. Report.

H.J.R. 5019. Commending the First Baptist Church, Manakin.

IN WHICH ACTION IT REQUESTS THE CONCURRENCE OF THE SENATE.

/s/ Bruce F. Jamerson

Clerk, House of Delegates

The House bill communicated as passed by the House of Delegates, the first reading of its title required by the Constitution having been dispensed with, was referred as follows:

H.B. 5021 was referred to the Committee on Rules.

The House joint resolution, communicated as agreed to by the House of Delegates, the first reading of its title having been waived, was referred as follows:

H.J.R. 5018 was referred to the Committee on Rules.

The House joint resolutions, communicated as agreed to by the House of Delegates, were laid on the Clerk's Desk under Senate Rule 26 (g) as follows:

H.J.R. 5015, H.J.R. 5016, H.J.R. 5017, and H.J.R. 5019.

MESSAGE FROM THE HOUSE

A message was received from the House of Delegates by Delegate McDonnell, who informed the Senate that the House had agreed to **H.J.R. 5020** (five thousand twenty), as follows; in which it requested the concurrence of the Senate:

HOUSE JOINT RESOLUTION NO. 5020

Election of General District Court Judges.

RESOLVED by the House of Delegates, the Senate concurring,

That the General Assembly, shall proceed to the election of judges 15 minutes after the commencement of the special session on the next day both the House of Delegates and the Senate of Virginia are simultaneously in session:

To the election of General District Court judges for a term of six years commencing as follows:

One judge for the Second Judicial District, term commencing May 1, 2004.

One judge for the Thirteenth Judicial District, term commencing June 1, 2004.

One judge for the Sixteenth Judicial District, term commencing June 1, 2004.

And that in the execution of the joint order nominations shall be made in the order herein named, and that each house shall be notified of said nominations, and when the rolls shall be called for the whole number, the presiding officers of each house shall appoint a committee of four, which together shall constitute the joint committee to count the vote of each house in each case and report the results to their respective houses. The joint order may be suspended by the presiding officer of either house at any time but for no longer than twenty-four hours to receive the report of the joint committee.

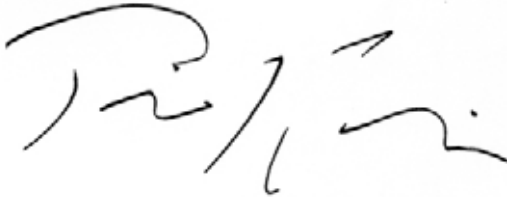
H.J.R. 5020 was taken up, read by title the first time, and referred to the Committee for Courts of Justice.

OTHER BUSINESS

Pursuant to the provisions of Rule 2 (c), the President pro tempore named Senator Charles R. Hawkins to perform the duties of the Presiding Officer in his absence on April 26, 2004.

On motion of Senator Norment, leaves of absence for the day were granted Senators Bell, Deeds, Edwards, Hanger, Hawkins, Lambert, Lucas, Martin, Mims, Obenshain, O'Brien, Puckett, Rerras, Reynolds, Stosch, Wampler, Watkins, and Williams.

On motion of Senator Chichester, the Senate adjourned until Monday, April 26, 2004, at 9:30 a.m.



Timothy M. Kaine
President of the Senate



Susan Clarke Schaar
Clerk of the Senate

MONDAY, APRIL 26, 2004

The Senate met at 9:30 a.m. and was called to order by the Acting President pro tempore, Senator Charles R. Hawkins.

John McE. Garrett, Deputy Clerk of the Senate and Elder at St. James Presbyterian Church, King William, Virginia, offered the following prayer:

O God, let the bravery of Moses, the wisdom of Solomon and the patience of Job prevail in this time of need. We ask that our decisions made here reflect the bravery, wisdom and patience of our forebears. Amen.

The roll was called and the following Senators answered to their names:

Hawkins, Whipple.

Two Senators were present.

On motion of Senator Whipple, the reading of the Journal was waived.

The recorded vote is as follows:

YEAS--2. NAYS--0. RULE 36--0.

YEAS--Hawkins, Whipple--2.

NAYS--0.

RULE 36--0.

INTRODUCTION OF LEGISLATION

The following, by leave, was presented and laid on the Clerk's Desk under Senate Rule 26 (g):

S.J.R. 5019. On the death of William Gravely Davis.

Patron--Hawkins

On motion of Senator Whipple, the Senate adjourned until tomorrow at 9:00 a.m. Pursuant to Rule 21 (d)ii, the Clerk was ordered to receive the committee report.

COMMITTEE REPORT

The following bills, having been considered by the committee in session, were reported by Senator Chichester from the Committee on Finance:

S.B. 5005 (five thousand five) with substitute.

H.B. 5008 (five thousand eight) with substitute.

H.B. 5018 (five thousand eighteen) with substitute.

A handwritten signature in black ink, appearing to read "Charles R. Hawkins". The signature is written in a cursive style with a large initial "C".

Charles R. Hawkins
Acting President pro tempore

A handwritten signature in black ink, appearing to read "Susan Clarke Schaar". The signature is written in a cursive style with a large initial "S".

Susan Clarke Schaar
Clerk of the Senate

TUESDAY, APRIL 27, 2004

The Senate met at 9:00 a.m. and was called to order by Lieutenant Governor Timothy M. Kaine.

Nathan Hatfield, Senate Legislative Information Officer and Deacon at First Baptist Church, Hopewell, Virginia, offered the following prayer:

O God, whose presence makes every space sacred, bless us in our work today. I praise You, for Your wisdom surpasses our wisest decision, and Your grace silently inhabits the routine and mundane moments of our day.

Make us mindful of Your design for our life and work even as we focus on the list of tasks before us. Make our effort and sacrifice at work today an offering worthy in Your sight.

In Him give us courage and strength. Amen.

The roll was called and the following Senators answered to their names:

Blevins, Bolling, Chichester, Deeds, Devolites, Edwards, Hanger, Hawkins, Howell, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, Potts, Puckett, Quayle, Rerras, Reynolds, Saslaw, Stolle, Stosch, Wagner, Wampler, Whipple, Williams.

A quorum was present.

After the roll call, Senators Colgan, Cuccinelli, Houck, Lambert, Locke, O'Brien, Puller, Ruff, Ticer, and Watkins notified the Clerk of their presence.

On motion of Senator Miller, the reading of the Journal was waived.

The recorded vote is as follows:

YEAS--30. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Colgan, Deeds, Devolites, Edwards, Hanger, Hawkins, Howell, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, Potts, Puckett, Quayle, Rerras, Reynolds, Saslaw, Stolle, Stosch, Wagner, Wampler, Whipple, Williams--30.

NAYS--0.

RULE 36--0.

At 9:15 a.m., Senator Norment moved that the Senate recess until 10:50 a.m.

The motion was agreed to.

The hour of 10:50 a.m. having arrived, the Chair was resumed.

CALENDAR

HOUSE BILLS ON SECOND READING

H.B. 5008 (five thousand eight) was read by title the second time.

Senator Chichester moved that the Rules be suspended and the third reading of the title of **H.B. 5008** as required by Article IV, Section 11, of the Constitution, be dispensed with.

The motion was agreed to.

The recorded vote is as follows:

YEAS--38. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Martin, Miller, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--38.

NAYS--0.

RULE 36--0.

The amendment in the nature of a substitute proposed by the Committee on Finance was offered, having been printed separately, with its title reading as follows:

A BILL to amend and reenact §§ 3.1-1111, 30-133, 58.1-3506, 58.1-3506.1, 58.1-3523, 58.1-3524, and 58.1-3912 of the Code of Virginia and to repeal §§ 58.1-3525 through 58.1-3533, 58.1-3536, and 58.1-3916.01 of the Code of Virginia, relating to the appropriation of state funds for tangible personal property tax relief on qualifying vehicles and tangible personal property tax rates on qualifying vehicles.

The reading of the substitute was waived.

RULING OF THE CHAIR

Senator Stolle propounded a parliamentary inquiry as to whether the substitute offered by the Committee on Finance to **H.B. 5008** was germane.

The Chair ruled that the substitute offered by the Committee on Finance to **H.B. 5008** was germane.

On motion of Senator Chichester, the substitute was agreed to.

Senator Norment offered the following amendments to the substitute:

1. Line 399, substitute, after *such that*

strike

the revenue to be received from such reduced tax rate or rates on that portion of the value not in excess of \$20,000, when added to the Commonwealth's reimbursement,

insert

(i) the revenue to be received from such reduced tax rate or rates on that portion of the value of qualifying vehicles not in excess of \$20,000 plus (ii) the revenue to be received on that portion of the value of qualifying vehicles in excess of \$20,000 plus (iii) the Commonwealth's reimbursement

2. Line 483, substitute, after line 482

insert

5. That any county, city, or town with a tax year 2004 tangible personal property tax due date that falls in the first six months of 2004 shall be reimbursed by the Commonwealth for any interest expense incurred in tax year 2006 on short-term financing required to transition from the Personal Property Tax Relief Act of 1998 (Chapter 35.1 of Title 58.1 of the Code of Virginia as such chapter existed on January 1, 2004) to the reimbursement specified under the amendments to such Chapter 35.1 pursuant to the provisions of this act. The amount to be reimbursed shall be determined by the Secretary of Finance based on documentation presented by affected localities after July 2006.

3. Line 483, substitute
strike

5.

insert

6.

4. Line 485, substitute
strike

6.

insert

7.

5. Line 485, substitute, after in the
strike

third and fourth

insert

third, fourth, and fifth

On motion of Senator Norment, the reading of the amendments was waived.

On motion of Senator Norment, the amendments were agreed to.

The substitute with amendments was ordered to be engrossed.

H.B. 5008, on motion of Senator Chichester, was passed with its title.

The recorded vote is as follows:

YEAS--32. NAYS--7. RULE 36--0.

YEAS--Blevins, Chichester, Colgan, Deeds, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Miller, Newman, Norment, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--32.

NAYS--Bolling, Cuccinelli, Devolites, Martin, Mims, Obenshain, O'Brien--7.

RULE 36--0.

H.B. 5018 (five thousand eighteen) was read by title the second time.

Senator Chichester moved that the Rules be suspended and the third reading of the title of **H.B. 5018** as required by Article IV, Section 11, of the Constitution, be dispensed with.

The motion was agreed to.

The recorded vote is as follows:

YEAS--39. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--39.

NAYS--0.

RULE 36--0.

The amendment in the nature of a substitute proposed by the Committee on Finance was offered, having been printed separately, with its title reading as follows:

A BILL to amend and reenact §§ 58.1-302, 58.1-321, 58.1-322, 58.1-339.8, 58.1-391, 58.1-392, 58.1-402, 58.1-441, 58.1-603, 58.1-604, 58.1-604.1, 58.1-605, 58.1-606, 58.1-609.3, 58.1-611.1, 58.1-614, 58.1-626, 58.1-638, 58.1-639, 58.1-801, 58.1-803, 58.1-807, 58.1-808, 58.1-1001, 58.1-1009, 58.1-1018, 58.1-1206, and 58.1-3833 of the Code of Virginia, to amend the Code of Virginia by adding in Title 32.1 a chapter numbered 15, consisting of sections numbered 32.1-366 and 32.1-367, by adding sections numbered 58.1-390.1, 58.1-390.2, and 58.1-393.1, by adding in Article 9 of Chapter 3 of Title 58.1 sections numbered 58.1-394.1, 58.1-394.2, and 58.1-395, by adding sections numbered 58.1-628.2 and 58.1-638.1, and by adding in Chapter 10 of Title 58.1 an article numbered 2.1, consisting of sections numbered 58.1-1021.01 through 58.1-1021.05, and to repeal §§ 58.1-390, 58.1-394, 58.1-627, and 58.1-628 of the Code of Virginia, relating to revenues for appropriation throughout the Commonwealth and its localities.

The reading of the substitute was waived.

On motion of Senator Chichester, the substitute was agreed to.

Senator Chichester offered the following amendments to the substitute:

1. Line 488, substitute, after D 2
strike
a
insert
b
2. Line 1209, substitute, after *2004, and*
strike
four
insert
five
3. Line 1699, substitute, after *month of*
strike
August
insert
April
4. Line 1707, substitute
strike
August

insert

April

On motion of Senator Chichester, the reading of the amendments was waived.

On motion of Senator Chichester, the amendments were agreed to.

Senator Cuccinelli offered the following amendments to the substitute:

1. Line 1881, substitute, after line 1880

insert

9. That, beginning with the Commonwealth's fiscal year starting on July 1, 2004, the Secretary of Finance shall on or before October 1 of each such fiscal year provide a forecast of the net additional revenues anticipated to be generated pursuant to the provisions of this act. The net additional revenues collected in any fiscal year beginning on and after July 1, 2004, in excess of the forecast for the net additional revenues anticipated to be generated from (i) the amendments to the age deduction under subdivision D 5 of § 58.1-322 pursuant to the provisions of this act; (ii) the additions to federal taxable income under subdivisions B 8 and B 9 of § 58.1-402 pursuant to the provisions of this act; (iii) the additional sales and use taxes of one-half percent under §§ 58.1-603, 58.1-604, 58.1-604.1, and 58.1-614 pursuant to the provisions of this act; (iv) the amendments to § 58.1-609.3 effective August 1, 2004, pursuant to the provisions of this act; (v) the increases in the recordation taxes under §§ 58.1-801, 58.1-803, 58.1-807, and 58.1-808 pursuant to the provisions of this act; (vi) the increases in the cigarette tax under § 58.1-1001 pursuant to the provisions of this act; and (vii) the taxes on tobacco products under Chapter 10 of Title 58.1 pursuant to the provisions of this act shall be deposited into the Transportation Trust Fund established under § 33.1-23.03:2 and distributed in accordance with law.

2. Line 1881, substitute

strike

9.

insert

10.

Senator Cuccinelli withdrew amendments Nos. 1 and 2.

Senator Cuccinelli offered the following amendments to the substitute:

3. Line 1881, substitute, after line 1880

insert

9. That, beginning with the Commonwealth's fiscal year starting on July 1, 2004, the Secretary of Finance shall on or before October 1 of each such fiscal year provide a forecast of the net additional revenues anticipated to be generated pursuant to the provisions of this act. The net additional revenues collected in any fiscal year beginning on and after July 1, 2004, in excess of the forecast for the net additional revenues anticipated to be generated from (i) the amendments to the age deduction under subdivision D 5 of § 58.1-322 pursuant to the provisions of this act; (ii) the additions to federal taxable income under subdivisions B 8 and B 9 of § 58.1-402 pursuant to the provisions of this act;

(iii) the additional sales and use taxes of one-half percent under §§ 58.1-603, 58.1-604, 58.1-604.1, and 58.1-614 pursuant to the provisions of this act; (iv) the amendments to § 58.1-609.3 effective August 1, 2004, pursuant to the provisions of this act; (v) the increases in the recordation taxes under §§ 58.1-801, 58.1-803, 58.1-807, and 58.1-808 pursuant to the provisions of this act; (vi) the increases in the cigarette tax under § 58.1-1001 pursuant to the provisions of this act; and (vii) the taxes on tobacco products under Chapter 10 of Title 58.1 pursuant to the provisions of this act shall be deposited into the Transportation Trust Fund established under § 33.1-23.03:2 and distributed in accordance with law, subject to any constitutional requirement for the making of deposits into the Revenue Stabilization Fund. The deposits required by the enactment shall be effective for the fiscal years commencing on July 1, 2004 and July 1, 2005.

- 4. Line 1881, substitute
strike
9.
insert
10.

On motion of Senator Cuccinelli, the reading of the amendments was waived.

Senator Cuccinelli moved that amendments Nos. 3 and 4 be agreed to.

The question was put on agreeing to amendments Nos. 3 and 4.

Amendments Nos. 3 and 4 were rejected.

Senator Stolle offered the following amendments to the substitute:

- 1. Line 1881, substitute, after line 1880
insert
9. That notwithstanding the effective date for the \$100 increase in the personal exemption amount as provided herein in the amendment to subdivision D 2 a of § 58.1-322 of the Code of Virginia, such effective date shall be for taxable years beginning on and after January 1, 2005, provided that the Secretary of Finance certifies in writing by November 1, 2004, to the Governor and the Chairmen of the Senate Committee on Finance and the House Committee on Appropriations that sufficient new revenues as identified by the Secretary of Finance will be available to meet the additional fiscal impact of changing the effective date of the \$100 increase in the personal exemption amount.
- 2. Line 1881, substitute
strike
9.
insert
10.

On motion of Senator Stolle, the reading of the amendments was waived.

On motion of Senator Stolle, the amendments were agreed to.

The substitute with amendments was ordered to be engrossed.

H.B. 5018, on motion of Senator Chichester, was passed with its title.

The recorded vote is as follows:

YEAS--31. NAYS--8. RULE 36--0.

YEAS--Blevins, Chichester, Colgan, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Miller, Mims, Norment, Potts, Puckett, Puller, Quayle, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wampler, Watkins, Whipple, Williams--31.

NAYS--Bolling, Cuccinelli, Martin, Newman, Obenshain, O'Brien, Rerras, Wagner--8.

RULE 36--0.

RECONSIDERATION

Senator Norment moved to reconsider the vote by which **H.B. 5008** (five thousand eight) was passed with its title.

The motion was agreed to.

The recorded vote is as follows:

YEAS--39. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--39.

NAYS--0.

RULE 36--0.

H.B. 5008, on motion of Senator Norment, was passed with its title.

The recorded vote is as follows:

YEAS--31. NAYS--7. RULE 36--0.

YEAS--Blevins, Chichester, Colgan, Deeds, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Miller, Norment, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--31.

NAYS--Bolling, Cuccinelli, Devolites, Martin, Mims, Newman, O'Brien--7.

RULE 36--0.

STATEMENT ON VOTE

Senator Obenshain stated that he was recorded as not voting on the question of the passage of **H.B. 5008**, whereas he intended to vote nay.

SENATE BILL ON FIRST READING

S.B. 5005 (five thousand five) was read by title the first time.

Senator Chichester moved that the Rules be suspended and the second reading of the title of **S.B. 5005** as required by Article IV, Section 11, of the Constitution, be dispensed with.

The motion was agreed to.

The recorded vote is as follows:

YEAS--39. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--39.

NAYS--0.

RULE 36--0.

The amendment in the nature of a substitute proposed by the Committee on Finance was offered, having been printed separately, with its title reading as follows:

A BILL to amend and reenact §§ 3.1-1111, 30-133, 58.1-3506, 58.1-3506.1, 58.1-3523, 58.1-3524, and 58.1-3912 of the Code of Virginia and to repeal §§ 58.1-3525 through 58.1-3533, 58.1-3536, and 58.1-3916.01 of the Code of Virginia, relating to property taxes on vehicles qualifying for tangible personal property tax relief and payments to localities for providing tangible personal property tax relief.

The reading of the substitute was waived.

On motion of Senator Chichester, the substitute was agreed to.

Senator Norment offered the following amendments to the substitute:

1. Line 399, substitute, after *such that*

strike

the revenue to be received from such reduced tax rate or rates on that portion of the value not in excess of \$20,000, when added to the Commonwealth's reimbursement,

insert

(i) the revenue to be received from such reduced tax rate or rates on that portion of the value of qualifying vehicles not in excess of \$20,000 plus (ii) the revenue to be received on that portion of the value of qualifying vehicles in excess of \$20,000 plus (iii) the Commonwealth's reimbursement

2. Line 483, substitute, after line 482

insert

5. That any county, city, or town with a tax year 2004 tangible personal property tax due date that falls in the first six months of 2004 shall be reimbursed by the Commonwealth for any interest expense incurred in tax year 2006 on short-term financing required to transition from the Personal Property Tax Relief Act of 1998 (Chapter 35.1 of Title 58.1 of the Code of Virginia as such chapter existed on January 1, 2004) to the reimbursement specified under the amendments to such Chapter 35.1 pursuant to the provisions of this act. The amount to be reimbursed shall be determined by the Secretary of Finance based on documentation presented by affected localities after July 2006.

3. Line 483, substitute

strike

5.

insert

6.

4. Line 485, substitute

strike

6.

insert

7.

5. Line 485, substitute, after in the

strike

third and fourth

insert

third, fourth, and fifth

On motion of Senator Norment, the reading of the amendments was waived.

On motion of Senator Norment, the amendments were agreed to.

On motion of Senator Chichester, the bill was ordered to be engrossed and read by title the third time.

Senator Chichester moved that the Rules be suspended and the third reading of the title of **S.B. 5005** as required by Article IV, Section 11, of the Constitution, be dispensed with.

The motion was agreed to.

The recorded vote is as follows:

YEAS--39. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--39.

NAYS--0.

RULE 36--0.

S.B. 5005, on motion of Senator Chichester, was passed with its title.

The recorded vote is as follows:

YEAS--31. NAYS--8. RULE 36--0.

YEAS--Blevins, Chichester, Colgan, Deeds, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Miller, Norment, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--31.

NAYS--Bolling, Cuccinelli, Devolites, Martin, Mims, Newman, Obenshain, O'Brien--8.

RULE 36--0.

MEMORIAL RESOLUTIONS

H.J.R. 5014 (five thousand fourteen), on motion of Senator Norment, was agreed to by a unanimous standing vote.

On motion of Senator Norment, the questions on agreeing to the Senate joint resolutions that follow were considered en bloc.

On motion of Senator Norment, the following Senate joint resolutions were taken up, ordered to be engrossed, and agreed to en bloc by a unanimous standing vote:

S.J.R. 5005 (five thousand five).

S.J.R. 5008 (five thousand eight).

S.J.R. 5011 (five thousand eleven).

S.J.R. 5013 (five thousand thirteen).

S.J.R. 5016 (five thousand sixteen).

S.J.R. 5019 (five thousand nineteen).

S.J.R. 5010 (five thousand ten) was taken up, as follows:

SENATE JOINT RESOLUTION NO. 5010

On the death of George F. Barnes.

WHEREAS, George F. Barnes of Tazewell, a farmer and independent coal operator who served in the Senate of Virginia from 1963 to 1975, died on April 15, 2004; and

WHEREAS, a native of Pocahontas, George Barnes earned his bachelor's degree from Virginia Polytechnic Institute in 1941, then served his country in the Merchant Marines during World War II; and

WHEREAS, in 1965, George Barnes was elected to fill the unexpired term of State Senator Harry Stuart, representing the citizens of the 38th Senate District; and

WHEREAS, later elected to a full term to the Senate of Virginia as a Republican, George Barnes is credited with paving the way for other Republicans in the Ninth Congressional District of Southwest Virginia; and

WHEREAS, in 1978, Governor John Dalton appointed George Barnes chairman of the State Compensation Board, where he served until 1982; and

WHEREAS, George Barnes was a former member of the Virginia Farm Bureau, president of the Tazewell County Farm Bureau, and a founding member and vice president of the National Independent Coal Operators Association; and

WHEREAS, a devoted member of Tazewell Presbyterian Church, George Barnes served as deacon, elder, and teacher of the women's Bible class for many years; and

WHEREAS, throughout his distinguished career in the General Assembly and through his leadership positions in local and statewide organizations, George Barnes served the citizens of Virginia with dedication, commitment, and integrity; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the General Assembly hereby note with great sadness the loss of a distinguished Virginian, George F. Barnes; and, be it

RESOLVED FURTHER, That the Clerk of the Senate prepare a copy of this resolution for presentation to the family of George F. Barnes as an expression of the esteem in which his memory is held by the members of the General Assembly and the citizens of Virginia.

S.J.R. 5010, on motion of Senator Puckett, was ordered to be engrossed and was agreed to by a unanimous standing vote.

S.J.R. 5015 (five thousand fifteen), on motion of Senator O'Brien, was ordered to be engrossed and was agreed to by a unanimous standing vote.

COMMENDING RESOLUTIONS

On motion of Senator Norment, the questions on agreeing to the House joint resolutions that follow were considered en bloc.

On motion of Senator Norment, the following House joint resolutions were taken up and agreed to en bloc:

- H.J.R. 5009** (five thousand nine).
- H.J.R. 5010** (five thousand ten).
- H.J.R. 5011** (five thousand eleven).
- H.J.R. 5012** (five thousand twelve).
- H.J.R. 5013** (five thousand thirteen).
- H.J.R. 5015** (five thousand fifteen).
- H.J.R. 5016** (five thousand sixteen).
- H.J.R. 5017** (five thousand seventeen).
- H.J.R. 5019** (five thousand nineteen).

On motion of Senator Norment, the questions on agreeing to the Senate joint resolutions that follow were considered en bloc.

On motion of Senator Norment, the following Senate joint resolutions were taken up, ordered to be engrossed, and agreed to en bloc:

- S.J.R. 5006** (five thousand six).
- S.J.R. 5007** (five thousand seven).
- S.J.R. 5012** (five thousand twelve).
- S.J.R. 5014** (five thousand fourteen).

At 2:25 p.m., Senator Norment moved that the Senate recess until 9:35 p.m.

The motion was agreed to.

The hour of 9:35 p.m. having arrived, the Chair was resumed.

HOUSE COMMUNICATION

The following communication was received:

In the House of Delegates
April 27, 2004

THE HOUSE OF DELEGATES HAS AGREED TO THE FOLLOWING HOUSE JOINT RESOLUTIONS:

- H.J.R. 5021.** Celebrating the life of Andrew Roccella.
- H.J.R. 5022.** Commending William Forrest Lindsey.
- H.J.R. 5023.** Commending the Eastern Montgomery High School academic team.
- H.J.R. 5024.** Commending Washington-Henry Elementary School.
- H.J.R. 5025.** Commending the Northern Virginia Central Labor Council.
- H.J.R. 5026.** Commending the Wakefield High School It's Academic team.
- H.J.R. 5027.** Commending the Wakefield High School boys' basketball team.
- H.J.R. 5028.** Commending the Wakefield High School Theater Festival team.
- H.J.R. 5029.** Commemorating the 1st Infantry Division's landing on Normandy Beach on June 6, 1944.

THE HOUSE OF DELEGATES HAS AGREED TO THE SUBSTITUTE WITH AMENDMENTS PROPOSED BY THE SENATE TO THE FOLLOWING HOUSE BILL:

H.B. 5018. A BILL to amend and reenact §§ 58.1-302, 58.1-321, 58.1-322, 58.1-391, 58.1-392, 58.1-402, 58.1-441, 58.1-603, 58.1-604, 58.1-604.1, 58.1-605, 58.1-606, 58.1-609.3, 58.1-611.1, 58.1-614, 58.1-615, 58.1-627, 58.1-628, 58.1-639, 58.1-801, 58.1-803, 58.1-807, 58.1-808, 58.1-901, 58.1-1001, and 58.1-3833 of the Code of Virginia, to amend the Code of Virginia by adding sections numbered 58.1-390.1, 58.1-390.2, and 58.1-393.1, and by adding in Article 9 of Chapter 3 of Title 58.1 sections numbered 58.1-394.1, 58.1-394.2, and 58.1-395, and to repeal §§ 58.1-390 and 58.1-394 of the Code of Virginia, relating to revenues for appropriation throughout the Commonwealth and its localities as part of the Tax Reform Compromise Act of 2004.

THE HOUSE OF DELEGATES HAS RULED AS NOT GERMANE THE SENATE SUBSTITUTE WITH AMENDMENTS TO THE FOLLOWING HOUSE BILL:

H.B. 5008. A BILL to appropriate funds of and for the Commonwealth for the period July 1, 2004, through June 30, 2005.

THE HOUSE OF DELEGATES HAS AGREED TO THE FOLLOWING SENATE JOINT RESOLUTIONS:

- S.J.R. 5005.** On the death of Reverend Lloyd Franklin Stephenson.
- S.J.R. 5006.** Commending C. P. Williams.
- S.J.R. 5007.** Commending the Madison County High School marching band.
- S.J.R. 5008.** On the death of Brigadier General James Edwin Huband.

S.J.R. 5010. On the death of George F. Barnes.

S.J.R. 5011. On the death of Robert E. Myers.

S.J.R. 5012. Commending Colonel Robert H. Wease.

S.J.R. 5013. On the death of Judge George E. Honts III.

S.J.R. 5014. Commending Pamela Latt.

S.J.R. 5015. Celebrating the life of Denese Gibson-Crewe.

S.J.R. 5016. On the death of William Allan Garrett.

S.J.R. 5019. On the death of William Gravely Davis.

IN WHICH ACTION IT REQUESTS THE CONCURRENCE OF THE SENATE.

/s/ Bruce F. Jamerson
Clerk, House of Delegates

On motion of Senator Norment, the Rules were suspended and the reading of the communication from the House of Delegates was waived.

The recorded vote is as follows:
YEAS--31. NAYS--0. RULE 36--0.

YEAS--Blevins, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Lucas, Marsh, Miller, Norment, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--31.

NAYS--0.
RULE 36--0.

The House joint resolutions, communicated as agreed to by the House of Delegates, were laid on the Clerk's Desk under Senate Rule 26 (g) as follows:

H.J.R. 5021, H.J.R. 5022, H.J.R. 5023, H.J.R. 5024, H.J.R. 5025, H.J.R. 5026, H.J.R. 5027, H.J.R. 5028, and H.J.R. 5029.

SUPPLEMENTAL CALENDAR NO. 1

MEMORIAL RESOLUTION

H.J.R. 5021 (five thousand twenty-one), on motion of Senator Norment, was agreed to by a unanimous standing vote.

COMMENDING RESOLUTIONS

On motion of Senator Norment, the questions on agreeing to the House joint resolutions that follow were considered en bloc.

On motion of Senator Norment, the following House joint resolutions were taken up and agreed to en bloc:

H.J.R. 5022 (five thousand twenty-two).

H.J.R. 5023 (five thousand twenty-three).

H.J.R. 5024 (five thousand twenty-four).

H.J.R. 5025 (five thousand twenty-five).

H.J.R. 5026 (five thousand twenty-six).

H.J.R. 5027 (five thousand twenty-seven).

H.J.R. 5028 (five thousand twenty-eight).

H.J.R. 5029 (five thousand twenty-nine).

HOUSE COMMUNICATION

The following communication was received and read:

In the House of Delegates

April 27, 2004

THE HOUSE OF DELEGATES HAS AGREED TO THE FOLLOWING HOUSE JOINT RESOLUTIONS:

H.J.R. 5030. Commending the Village of Evergreen on the occasion of its 150th anniversary.

H.J.R. 5031. Commending the Visiting International Faculty program.

THE HOUSE OF DELEGATES HAS PASSED THE FOLLOWING SENATE BILL:

S.B. 5005. A BILL to amend and reenact §§ 3.1-1111, 30-133, 58.1-611.1, 58.1-3523, 58.1-3534, 58.1-3535, 58.1-3912, and 58.1-3916 of the Code of Virginia, to amend the Code of Virginia by adding a section numbered 58.1-3523.1, and to repeal §§ 15.2-1636.20, 58.1-3524, 58.1-3525, 58.1-3526, 58.1-3527, 58.1-3528, 58.1-3529, 58.1-3530, 58.1-3531, 58.1-3532, 58.1-3533, 58.1-3536, and 58.1-3916.01 of the Code of Virginia, relating to the revenues of the Commonwealth.

IN WHICH ACTION IT REQUESTS THE CONCURRENCE OF THE SENATE.

/s/ Bruce F. Jamerson

Clerk, House of Delegates

The House joint resolutions, communicated as agreed to by the House of Delegates, were laid on the Clerk's Desk under Senate Rule 26 (g) as follows:

H.J.R. 5030 and **H.J.R. 5031.**

On motion of Senator Norment, a leave of absence for the day was granted Senator Bell.

On motion of Senator Norment, the Senate adjourned until Friday, April 30, 2004, at 3:00 p.m.

A handwritten signature in black ink, appearing to read "Timothy M. Kaine". The signature is fluid and cursive, with a large initial "T" and a long, sweeping underline.

Timothy M. Kaine
President of the Senate

A handwritten signature in black ink, appearing to read "Susan Clarke Schaar". The signature is cursive and elegant, with a large initial "S" and a long, flowing underline.

Susan Clarke Schaar
Clerk of the Senate

FRIDAY, APRIL 30, 2004

The Senate met at 3:00 p.m. and was called to order by Lieutenant Governor Timothy M. Kaine.

John McE. Garrett, Deputy Clerk of the Senate and Elder at St. James Presbyterian Church, King William, Virginia, offered the following prayer:

Bless, O Lord, the Senators who are working to complete their task. Be with them in their work—guide and direct their decisions. Amen.

The roll was called and the following Senators answered to their names:

Lambert, Watkins.

Two Senators were present.

On motion of Senator Lambert, the reading of the Journal was waived.

The recorded vote is as follows:

YEAS--2. NAYS--0. RULE 36--0.

YEAS--Lambert, Watkins--2.

NAYS--0.

RULE 36--0.

LEGISLATION SIGNED BY PRESIDING OFFICER

The President of the Senate as required by Article IV, Section 11, of the Constitution, on the date recorded below, signed the following bills that had been passed by both houses and duly enrolled:

April 30, 2004

H.B. 5018. An Act to amend and reenact §§ 58.1-302, 58.1-321, 58.1-322, 58.1-339.8, 58.1-391, 58.1-392, 58.1-402, 58.1-441, 58.1-603, 58.1-604, 58.1-604.1, 58.1-605, 58.1-606, 58.1-609.3, 58.1-611.1, 58.1-614, 58.1-626, 58.1-638, 58.1-639, 58.1-801, 58.1-803, 58.1-807, 58.1-808, 58.1-1001, 58.1-1009, 58.1-1018, 58.1-1206, and 58.1-3833 of the Code of Virginia, to amend the Code of Virginia by adding in Title 32.1 a chapter numbered 15, consisting of sections numbered 32.1-366 and 32.1-367, by adding sections numbered 58.1-390.1, 58.1-390.2, and 58.1-393.1, by adding in Article 9 of Chapter 3 of Title 58.1 sections numbered 58.1-394.1, 58.1-394.2, and 58.1-395, by adding sections numbered 58.1-628.2 and 58.1-638.1, and by adding in Chapter 10 of Title 58.1 an article numbered 2.1, consisting of sections numbered 58.1-1021.01 through 58.1-1021.05, and to repeal §§ 58.1-390, 58.1-394, 58.1-627, and 58.1-628 of the Code of Virginia, relating to revenues for appropriation throughout the Commonwealth and its localities.

S.B. 5005. An Act to amend and reenact §§ 3.1-1111, 30-133, 58.1-3506, 58.1-3506.1, 58.1-3523, 58.1-3524, and 58.1-3912 of the Code of Virginia and to repeal §§ 58.1-3525 through 58.1-3533, 58.1-3536, and 58.1-3916.01 of the Code of Virginia, relating to property taxes on vehicles qualifying for tangible personal property tax relief and payments to localities for providing tangible personal property tax relief.

On motion of Senator Watkins, the Senate adjourned until Monday, May 3, 2004, at 4:30 p.m.

A handwritten signature in black ink, appearing to read "Timothy M. Kaine". The signature is fluid and cursive, with a large initial "T" and "M".

Timothy M. Kaine
President of the Senate

A handwritten signature in black ink, appearing to read "Susan Clarke Schaar". The signature is cursive and elegant, with a large initial "S".

Susan Clarke Schaar
Clerk of the Senate

MONDAY, MAY 3, 2004

The Senate met at 4:30 p.m. and was called to order by Lieutenant Governor Timothy M. Kaine.

John McE. Garrett, Deputy Clerk of the Senate and Elder at St. James Presbyterian Church, King William, Virginia, offered the following prayer:

Bless, O Lord, the Senators as they go about doing the business of the people. Be with them in their decision-making and as a source of comfort in times of frustration and disappointment. Amen.

The roll was called and the following Senators answered to their names:

Lambert, Martin.

Two Senators were present.

On motion of Senator Lambert, the reading of the Journal was waived.

The recorded vote is as follows:

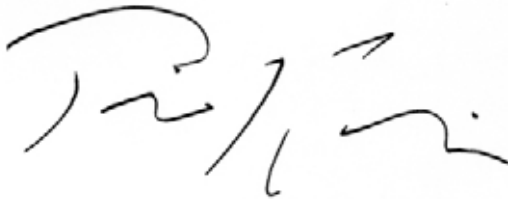
YEAS--2. NAYS--0. RULE 36--0.

YEAS--Lambert, Martin--2.

NAYS--0.

RULE 36--0.

On motion of Senator Martin, the Senate adjourned until Thursday, May 6, 2004, at 12 m.



Timothy M. Kaine
President of the Senate



Susan Clarke Schaar
Clerk of the Senate

THURSDAY, MAY 6, 2004

The Senate met at 12 m. and was called to order by Lieutenant Governor Timothy M. Kaine.

Nathan Hatfield, Senate Legislative Information Officer and Deacon at First Baptist Church, Hopewell, Virginia, offered the following prayer:

Dear Lord, remind us that Your loving, creating will finds new paths in the midst of our own uncertainty, and that You use times that grieve and trouble us to bring fresh resolve and direction to our lives. Give us the grace to receive Your direction, O God, and the faith to believe that You will do for us what we cannot do for ourselves. In the name of the Father, the Son, and the Holy Spirit, Amen.

The roll was called and the following Senators answered to their names:

Marsh, Watkins.

Two Senators were present.

On motion of Senator Marsh, the reading of the Journal was waived.

The recorded vote is as follows:

YEAS--2. NAYS--0. RULE 36--0.

YEAS--Marsh, Watkins--2.

NAYS--0.

RULE 36--0.

On motion of Senator Watkins, the Senate adjourned until tomorrow at 11:00 a.m.



Timothy M. Kaine
President of the Senate



Susan Clarke Schaar
Clerk of the Senate

FRIDAY, MAY 7, 2004

The Senate met at 11:00 a.m. and was called to order by Lieutenant Governor Timothy M. Kaine.

The Reverend C. Douglas Smith, Virginia Interfaith Center for Public Policy, Richmond, Virginia, offered the following prayer:

God of Grace, thank You for sustaining us all along the labored journey of this General Assembly. Lord, these Senators are energized. They have worked all hours of the day and night to construct consensus and it looks as though there may be a budget decision today and that their perseverance will finish the race. Encourage them amid their tireless efforts.

Reconcile the rift between companions in this chamber and ease their tensions with sisters and brothers at the other end of the hall. Help them not to speak divisively, as if there are winners and losers, but help us all to speak as one unified Commonwealth who has forged ahead to build a better Virginia.

When the critics of life attempt to dispel the dedication these Senators have shown, give them clarity of mind and boldness of voice to speak the truth and to stand proud in what they have accomplished. Our God, may the fruits of their work be positively felt by all in the Commonwealth of Virginia. Humbly, we pray. Amen.

The roll was called and the following Senators answered to their names:

Bell, Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Houck, Lambert, Locke, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams.

A quorum was present.

On motion of Senator Mims, the reading of the Journal was waived.

The recorded vote is as follows:

YEAS--38. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Houck, Lambert, Locke, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--38.

NAYS--0.

RULE 36--0.

COMMITTEE REPORT

Senator Stolle, from the Committee for Courts of Justice, presented the following report:

SENATE OF VIRGINIA

May 7, 2004

TO THE SENATE OF VIRGINIA:

The Committee for Courts of Justice hereby certifies that the following persons are qualified for the respective general district court judgeships, as follows:

Gene A. Woolard, of Virginia Beach, as a judge of the Second Judicial District for a term of six years commencing June 1, 2004.

George R. Andrews, of Henrico, as a judge of the Sixteenth Judicial District for a term of six years commencing June 1, 2004.

Edward K. Carpenter, of Goochland, as a judge of the Sixteenth Judicial District for a term of six years commencing June 1, 2004.

Patricia A. Dart, of Fluvanna, as a judge of the Sixteenth Judicial District for a term of six years commencing June 1, 2004.

Respectfully submitted,

/s/ Kenneth W. Stolle, Chairman
Committee for Courts of Justice

INTRODUCTION OF LEGISLATION

The following, by leave, was presented, ordered to be printed, and referred under Senate Rule 11 (b):

S.B. 5007. A BILL to amend and reenact § 18.2-268.3 of the Code of Virginia, relating to punishment for refusal to give blood or breath test for DUI.

Patron--Stolle

Referred to Committee for Courts of Justice

The following, by leave, were presented and laid on the Clerk's Desk under Senate Rule 26 (g):

S.J.R. 5021. Commending the Broad Run High School debate team.

Patron--Mims

S.J.R. 5022. Commending the Carlisle School girls' basketball team.

Patron--Reynolds

S.J.R. 5023. Commending the Arc of Greater Prince William/INSIGHT, Inc.

Patrons--Colgan, Chichester, O'Brien and Puller; Delegates: Parrish, Frederick and McQuigg

CALENDAR

CONFERENCE COMMITTEE REPORT

Senator Chichester, for the committee of conference on **H.B. 5001** (five thousand one), presented the following report:

Joint Conference Committee Report On
House Bill 5001

We, the conferees, appointed by the respective bodies to consider and report the disagreeing vote on House Bill 5001 report as follows:

A. We recommend that the House and Senate amendments be rejected.

B. We recommend that House Bill 5001, as introduced, be amended as follows to resolve the matters under disagreement.

Revenues Item 0 #1c
 Revenues Language

Language:

Item 0, strike lines 3 through 11, and insert:

“A bill to appropriate the public revenues for the two years ending respectively on the thirtieth day of June 2005, and the thirtieth day of June 2006, to provide a portion of such revenues, to amend and re-enact §§ 4.1-230, 4.1-231, 16.1-69.6:1, 17.1-507, and 19.2-163.2 of the Code of Virginia, and to amend the Code of Virginia by adding in Article 13 of Chapter 3 of Title 58.1 a section numbered 58.1-439.12:01.”

Revenues Item 0 #2c
 Revenues Language

Language:

Page 1, strike lines 27 through 34 and insert:

	First Year	Second Year	Total
Unreserved Balance, June 30, 2004	\$273,912,118	\$0	\$273,912,118
Additions to Balance	(\$500,000)	(\$500,000)	(\$1,000,000)
Official Revenue Estimates	\$12,451,848,650	\$13,093,421,900	\$25,545,270,550
Lottery Proceeds Fund	\$395,000,000	\$402,000,000	\$797,000,000
Transfers	\$312,688,347	\$358,256,260	\$670,944,607
Total General Fund Resources Available for Appropriation	\$13,432,949,115	\$13,853,178,160	\$27,286,127,275

Page 1, strike lines 36 through 42 and insert:

	First Year	Second Year	Total
Balance, June 30, 2004	\$1,854,347,481	\$0	\$1,854,347,481
Official Revenue Estimates	\$15,203,614,759	\$16,009,504,699	\$31,213,119,458
Bond Proceeds	\$1,003,762,290	\$46,871,475	\$1,050,633,765
Total Nongeneral Fund Revenues Available for Appropriation	\$18,061,724,530	\$16,056,376,174	\$34,118,100,704
TOTAL PROJECTED REVENUES	\$31,494,673,645	\$29,909,554,334	\$61,404,227,979

Legislative Department Item 2 #1c
 Auditor Of Public Accounts Language

Language:

Page 8, after line 13, insert:

“The Auditor of Public Accounts shall review the operations of the State Comptroller as they relate to the Commonwealth's financial accounting and control operations. The Secretary of Finance, State Comptroller, State Treasurer, Director of Planning and Budget and the Chief Information Officer shall provide any assistance and cooperation necessary for the Auditor to conduct this review. In conducting the review, the Auditor shall determine the factors that have led to the current structure of the Commonwealth's financial accounting and control operations, the Comptroller's responsibility for financial and internal controls, the impact of decentralization on the financial structure and internal controls, and whether the Commonwealth has a modern financial system and structure. Additionally, the Auditor of Public Accounts shall provide the Chairmen of the Senate Finance Committee, the House Appropriations Committee and the House Finance Committee with an assessment of the information available to them, how any changes in the Commonwealth's financial accounting and control operations could enhance their oversight, and what resources would be necessary to accomplish this function. The Auditor shall submit a planning document to the Chairmen of the Senate Finance and House Appropriations and Finance Committees outlining the scope of this review by July 15, 2004. A preliminary report of initial findings, recommendations and issues shall be available to the Governor and the General Assembly by December 1, 2004, and a final report by November 15, 2005, with recommendations for proposed budgetary and statutory changes.”

Legislative Department			Item 2 #2c
Auditor Of Public Accounts	FY 04-05	FY 05-06	
	(\$78,435)	(\$78,435)	GF

Language:

Page 8, line 2, strike “\$9,974,706” and insert “\$9,896,271”.

Page 8, line 2, strike “\$9,978,384” and insert “\$9,899,949”.

Legislative Department			Item 2 #3c
Auditor Of Public Accounts			
			Language

Language:

Page 8, after line 13, insert:

“The Auditor of Public Accounts shall conduct an audit to determine the amount of deferred maintenance costs in the Commonwealth in accordance with Item C-194.10 of this act. The Auditor shall use the funding provided in Item C-194.10 of this act to assist agencies and institutions to acquire the software and training necessary to accumulate the information to perform the audit.”

Legislative Department			Item 4 #1c
Division Of Capitol Police			
			Language

Language:

Page 9, line 4, strike “\$79,588” and insert “\$90,549”.

Page 9, line 5, strike “\$81,976” and insert “\$90,549”.

Page 9, line 6, after “2006”, insert “The salary increase authorized in the first year in Item 505 shall not apply to this salary.”

Legislative Department			Item 7 #1c
Division Of Legislative Services	FY 04-05	FY 05-06	
	\$50,000	\$50,000	GF

Language:

Page 9, line 34, strike "\$4,577,254" and insert "\$4,627,254".

Page 9, line 34, strike "\$4,577,254" and insert "\$4,627,254".

Legislative Department			Item 7 #2c
Division Of Legislative Services	FY 04-05	FY 05-06	
	(\$160,000)	(\$160,000)	GF
	-2.00	-2.00	FTE

Language:

Page 9, line 34, strike "\$4,577,254" and insert "\$4,417,254".

Page 9, line 34, strike "\$4,577,254" and insert "\$4,417,254".

Legislative Department			Item 7 #3c
Division Of Legislative Services	FY 04-05	FY 05-06	
	(\$62,500)	(\$62,500)	NGF

Language:

Page 9, line 34, strike "\$4,577,254" and insert "\$4,514,754".

Page 9, line 34, strike "\$4,577,254" and insert "\$4,514,754".

Legislative Department			Item 10 #1c
Dr. Martin Luther King, Jr. Memorial	FY 04-05	FY 05-06	
Commission	\$10,000	\$10,000	GF

Language:

Page 10, line 26, strike "\$40,000" and insert "\$50,000".

Page 10, line 26, strike "\$40,000" and insert "\$50,000".

Legislative Department			Item 11 #1c
Joint Commission On Health Care			Language

Language:

Page 10, after line 37, insert:

"The Joint Commission on Health Care should support the continuation of state funding of local initiatives to address the needs of adults and juveniles with mental health, mental retardation, or co-occurring disorders who come into contact with the criminal justice system."

Legislative Department			Item 13 #1c
Commissioners For Promotion Of	FY 04-05	FY 05-06	
Uniformity Of Legislation	\$21,000	\$23,000	GF

Language:

Page 11, line 16, strike "\$39,500" and insert "\$60,500".

Page 11, line 16, strike "\$39,500" and insert "\$62,500".

Legislative Department			Item 17 #1c
Virginia Commission On Youth	FY 04-05	FY 05-06	
	(\$23,683)	(\$23,683)	GF

Language:

Page 12, line 12, strike "\$315,861" and insert "\$292,178".

Page 12, line 12, strike "\$315,861" and insert "\$292,178".

Legislative Department			Item 18 #1c
Virginia Crime Commission	FY 04-05	FY 05-06	
	\$69,463	\$0	GF

Language:

Page 12, line 22, strike "\$500,436" and insert "\$569,899".

Page 12, after line 26, insert:

"A. Included within this appropriation is \$69,463 the first year from the general fund to replace a federal grant that has expired. Should the Crime Commission obtain additional federal funds during fiscal year 2005, an equal amount of these general funds, not to exceed \$69,463, shall revert to the general fund."

Legislative Department	Item 18 #2c
Virginia Crime Commission	
	Language

Language:

Page 12, after line 26, insert:

"B. The Virginia Crime Commission shall examine the statutory basis for computer crimes in the Code of Virginia, including a determination of the appropriate definitions and elements constituting offenses in this area."

Legislative Department	Item 21 #1c
Joint Legislative Audit And Review Commission	
	Language

Language:

Page 14, line 14, after "process.", insert:

"JLARC fiscal impact staff shall have direct access to tax data files maintained by the Department of Taxation for the purpose of providing on-going support of tax policy oversight conducted by the House Finance and Senate Finance Committees. Information accessed by JLARC fiscal impact staff under the provisions of this item shall be deemed privileged and confidential and such lawful recipient thereof shall be subject to the penalties imposed by § 58.1-3, Code of Virginia, for any unauthorized use of such information."

Judicial Department	Item 25 #1c
Supreme Court	
	Language

Language:

Page 16, after line 39, insert:

"F. The Judicial Council of Virginia shall evaluate and make recommendations on the funding, resources, and statutory changes required to implement a system of family courts in Virginia pursuant to the provisions contained in Chapters 929 and 930 of the Acts of Assembly of 1993. In performing this evaluation, all state agencies shall cooperate, upon request, with the Judicial Council of Virginia. The Judicial Council of Virginia shall report its findings to the Governor and the General Assembly by November 1, 2004."

Judicial Department	Item 26 #1c
Supreme Court	
	Language

Language:

Page 17, line 11, strike “in lieu of travel and all other expenses” and insert:
 “for expenses not otherwise reimbursed.”

Page 17, strike lines 12 through 13.

Page 17, line 14, strike “conducting the business of the Court.”

Judicial Department

Court Of Appeals Of Virginia

Item 31 #1c

Language

Language:

Page 18, lines 29, strike “in lieu of travel and all other expenses” and insert:
 “for expenses not otherwise reimbursed.”

Page 18, strike lines 30 through 31.

Page 18, line 32, strike “conducting the business of the Court.”

Judicial Department

Circuit Courts

FY 04-05
 (\$6,556,539)

FY 05-06
 (\$6,501,430)

Item 32 #1c

GF

Language:

Page 19, line 2, strike “\$75,756,553” and insert “\$69,200,014”.

Page 19, line 2, strike “\$79,070,327” and insert “\$72,568,897”.

Judicial Department

Circuit Courts

FY 04-05
 \$355,152
 5.00

FY 05-06
 \$1,045,645
 5.00

Item 32 #2c

GF
 FTE

Language:

Page 19, line 2, strike “\$75,756,553” and insert “\$76,111,705”.

Page 19, line 2, strike “\$79,070,327” and insert “\$80,115,972”.

Judicial Department

Circuit Courts

FY 04-05
 (\$250,000)

FY 05-06
 (\$400,000)

Item 32 #3c

GF

Language:

Page 19, line 2, strike “\$75,756,553” and insert “\$75,506,553”.

Page 19, line 2, strike “\$79,070,327” and insert “\$78,670,327”.

Judicial Department

General District Courts

FY 04-05
 \$128,623
 2.00

FY 05-06
 \$380,870
 2.00

Item 33 #1c

GF
 FTE

Language:

Page 20, line 2, strike “\$75,218,062” and insert “\$75,346,685”.

Page 20, line 2, strike "\$75,218,062" and insert "\$75,598,932".

Judicial Department			Item 33 #2c
General District Courts	FY 04-05	FY 05-06	
	\$898,406	\$1,796,812	GF
	49.00	49.00	FTE

Language:

Page 20, line 2, strike "\$75,218,062" and insert "\$76,116,468".

Page 20, line 2, strike "\$75,218,062" and insert "\$77,014,874".

Judicial Department			Item 37 #1c
Board Of Bar Examiners	FY 04-05	FY 05-06	
	(\$997,828)	(\$993,828)	GF
	\$997,828	\$993,828	NGF

Language:

Page 23, strike lines 16 through 47, and insert:

"Authority: Title 54.1, Chapter 39, Articles 3 and 4 and §54.1-3934, Code of Virginia.

The State Comptroller shall establish a Board of Bar Examiners Fund on the Commonwealth Accounting and Reporting System. Revenues collected from fees paid by applicants for admission to the bar shall be deposited into the Board of Bar Examiners Fund. The source of nongeneral funds included in this item is the Board of Bar Examiners Fund. Interest generated by the fund shall be retained by the fund."

Page 24, strike lines 1 through 56.

Page 25, strike lines 1 through 16.

Page 450, strike line 22.

Page 450, line 23, strike "e" and insert "d".

Page 450, line 24, strike "f" and insert "e".

Page 450, line 34, strike "g" and insert "f".

Page 450, line 36, strike "h" and insert "g".

Page 450, line 37, strike "i" and insert "h".

Page 450, line 41, strike "j" and insert "i".

Page 450, line 42, strike "k" and insert "j".

Judicial Department			Item 39 #1c
Public Defender Commission	FY 04-05	FY 05-06	
	\$258,542	\$355,770	GF
	4.00	6.00	FTE

Language:

Page 25, line 33, strike "\$23,678,918" and insert "\$23,937,460".

Page 25, line 33, strike "\$23,693,663" and insert "\$24,049,433".

Page 25, line 32, strike "PUBLIC DEFENDER COMMISSION" and insert:

"INDIGENT DEFENSE COMMISSION".

Page 25, line 38, after "Virginia" insert ", as amended by Chapter 884 of the Acts of Assembly 2004".

Page 25, after line 38, insert:

"It is the intent of the General Assembly that the current employees of the Public Defender Commission shall become the employees of the new Indigent Defense Commission, effective July 1, 2004. This includes employees located in the central administrative office as well as the employees located in the individual public defender offices."

Page 25, line 39, strike “Public Defender Commission” and insert:
 “Indigent Defense Commission”.

Judicial Department			Item 39 #2c
Public Defender Commission	FY 04-05	FY 05-06	
	\$6,425,708	\$5,931,546	GF
	90.00	90.00	FTE

Language:

Page 25, line 33, strike “\$23,678,918” and insert “\$30,104,626”.

Page 25, line 33, strike “\$23,693,663” and insert “\$29,625,209”.

Page 25, after line 38, insert:

“Out of the amounts provided for criminal indigent defense, \$6,425,708 the first year and \$5,931,546 the second year from the general fund is provided to establish four public defender offices in Arlington County (including the City of Falls Church) and the cities of Chesapeake, Hampton, and Newport News. The Indigent Defense Commission shall give priority in establishing these public defender offices first to the City of Newport News.”

Judicial Department			Item 39 #3c
Public Defender Commission	FY 04-05	FY 05-06	
	\$1,010,000	\$2,080,000	GF
	16.00	32.00	FTE

Language:

Page 25, line 33, strike “\$23,678,918” and insert “\$24,688,918”.

Page 25, line 33, strike “\$23,693,663” and insert “\$25,773,663”.

Executive Offices			Item 53 #1c
Division Of Debt Collection			
			Language

Language:

Page 31, strike lines 24 through 33 and insert:

“A. All agencies and institutions shall follow the procedures for collection of funds owed the Commonwealth as specified in §§ 2.2-518 and 2.2-4806 of the Code of Virginia, except as provided otherwise therein or in this act.

B.1. There is hereby created on the books of the Comptroller a special nonreverting fund known as the “Debt Collection Recovery Fund.” The Division of Debt Collection shall deposit to the Fund all revenues generated by it, less any cost of recovery, from receivables collected on behalf of state agencies, pursuant to § 2.2-518 and 2.2-4806 of the Code of Virginia. This provision shall apply whether such payment is made directly to the affected agency or to the Office of the Attorney General.

2. The Secretary of Finance may make exemptions from the required deposits to the Fund, as specified in B.1. above, upon his determination that such collections are more appropriately returned to the fund source in which such receivables are due. Any such exemptions shall be reported by the Secretary of Finance to the Division of Debt Collection and to the Chairmen of the Senate Finance and House Appropriations Committees within 30 days of such approval.

3. From the amounts collected for the Fund, 30 percent, not to exceed \$1,800,000 in any fiscal year, shall be paid to the Division of Debt Collection.

4. From the amounts collected for the Fund, 30 percent shall be returned to the state agency for which the claim was collected. Out of the balance in the Fund, the State Comptroller shall transfer up to \$3,454,000 to the general fund on or before June 30, 2005, and up to \$3,444,000 on or before

June 30, 2006. Any amount in excess of the transfer which remains in the Debt Collection Recovery Fund each year after the transfer shall be returned on a pro rata basis to all state agencies having claims collected by the Division of Debt Collection during the course of the year, to the extent that such collections contributed to the balance in the Fund.

5. The Division of Debt Collection may contract with private collection agents for the collection of debts amounting to less than \$15,000.

C. The Division of Debt Collection of the Office of the Attorney General and the Department of Accounts shall promulgate rules necessary to implement these provisions.”

Administration Item 58 #1c
Secretary Of Administration Language

Language:

Page 34, after line 7, insert:

“The Secretary of Administration, in consultation with the Secretary of Education, the Office of the Attorney General, and third party professional engineers with experience in the field of building environmental controls, shall prepare a report outlining plans, including a schedule of steps and events, which are to be implemented with a view toward corrective actions addressing remaining design and construction issues associated with the maintenance and operation of the Library of Virginia building in Richmond. The Secretaries shall report to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than August 1, 2004.”

Administration Item 62 #1c
Commonwealth Competition Council NGF
FY 04-05 FY 05-06
(\$262,297) (\$262,297)
-3.00 -3.00 FTE

Language:

Page 35, line 40, strike “\$262,297” and insert “\$0”.

Page 35, line 40, strike “\$262,297” and insert “\$0”.

Page 35, strike lines 39 through 50 and insert “62. Omitted.”.

Page 36, strike lines 1 through 26.

Administration Item 63 #1c
Compensation Board Language

Language:

Page 37, line 6, strike “9,698” and “9,781” and insert “9,699” and “9,782”.

Page 37, line 14, strike “507” and insert “506”.

Page 37, line 15, strike “550” and insert “549”.

Administration Item 63 #2c
Compensation Board Language

Language:

Page 36, line 34, after “69,” insert “69.10,”.

Page 36, line 46, after “69,” insert “69.10,”.

Page 37, line 9, strike “1,151” and “1,151” and insert “797” and “797”.

Page 37, after line 9, insert:

“Directors of Finance 354 354”.

Administration Item 64 #1c
Compensation Board Language

Language:

Page 40, line 54, strike:
“\$95,528” “\$95,528” “\$98,394” and insert “\$97,677” “\$97,677” “\$100,607”.

Administration Item 64 #2c
Compensation Board FY 04-05 FY 05-06
(\$1,127,722) (\$1,127,722) GF

Language:

Page 40, line 25, strike “\$326,631,328” and insert “\$325,503,606”.
Page 40, line 25, strike “\$333,277,378” and insert “\$332,149,656”.
Page 43, after line 19, insert:
“L. The Compensation Board is authorized to use up to \$3,550,000 in the first year and \$1,150,000 the second year from projected general fund balances in Items 64, 65, 66, 69 and 70 to address constitutional officer local retirement rate increases and salary annualization costs. The Compensation Board shall receive approval from the Department of Planning and Budget prior to spending or allocating any portion of the projected amount.”

Administration Item 64 #3c
Compensation Board Language

Language:

Page 40, strike lines 26 and 27, and insert:
“Financial Assistance for Administration (xxx) ... \$9,486,236 \$9,486,236
Financial Assistance for Local Law Enforcement \$247,393,166 249,610,616”.

Administration Item 65 #1c
Compensation Board Language

Language:

Page 43, strike lines 21 and 22, and insert:
“Financial Assistance for Administration (xxx) ... \$12,617,317 \$12,617,317
Financial Assistance for Local Attorneys For the Commonwealth \$31,249,599 \$31,249,599”.

Administration Item 66 #1c
Compensation Board Language

Language:

Page 47, after line 8, insert:
“I.1. For audits of Clerks of the Circuit Court completed after July 1, 2004, the Auditor of Public Accounts shall report any internal control matter that could be reasonably expected to lead to the loss of revenues or assets, or otherwise compromise fiscal accountability. The Auditor of Public Accounts will also report on compliance with appropriate law and other financial matters of the Clerks' office.

2. For internal control matters that could be reasonably expected to lead to the loss of revenues or assets, or otherwise compromise fiscal accountability, the Clerk shall provide the Auditor of Public Accounts a written corrective action plan to any such audit findings within 10 business days of the audit exit conference, which will state what actions the clerk will take to remediate the finding. The Clerk's response may also address the other matters in the report. During the next audit, the Auditor of Public Accounts shall determine and report if the Clerk has corrected the finding related to internal control matters that could be reasonably expected to lead to the loss of revenues or assets, or otherwise compromise fiscal accountability.

3. Notwithstanding the provisions of Item 505, paragraph F.2.e.1, the Compensation Board shall not provide any salary increase to any Circuit Court Clerk identified by the Auditor of Public Accounts who has not taken corrective action for the matters reported above."

Administration Item 66 #2c
 Compensation Board Language

Language:

Page 45, strike line 16 and insert:

"Financial Assistance for Administration (xxx) ...	\$10,468,619	\$10,468,619	
Financial Assistance for Circuit Court Services ..	\$17,291,525	\$17,291,525	
Financial Assistance for Maintenance of Local Land Records	\$11,754,378	\$11,754,378	\$11,754,378".

Administration			Item 67 #1c
Compensation Board	FY 04-05	FY 05-06	
	\$13,200,000	\$13,200,000	GF

Language:

Page 47, line 10, strike "\$62,303,558" and insert "\$75,503,558".
 Page 47, line 10, strike "\$66,137,960" and insert "\$79,337,960".

Administration			Item 67 #2c
Compensation Board	FY 04-05	FY 05-06	
	(\$6,012,965)	(\$9,075,267)	GF

Language:

Page 47, line 10, strike "\$62,303,558" and insert "\$56,290,593".
 Page 47, line 10, strike "\$66,137,960" and insert "\$57,062,693".
 Page 51, after line 28, insert:
 "M. Projected growth in per diem payments for the support of prisoners in local and regional jails shall be based on actual inmate population counts up through the first quarter of the affected fiscal year.

Administration Item 68 #1c
 Compensation Board Language

Language:

Page 51, line 35, after "69", insert ", 69.10,".

Administration			Item 69 #1c
Compensation Board	FY 04-05	FY 05-06	
	\$68,949	\$162,801	GF

Language:

Page 51, line 43, strike "\$21,801,282" and insert "\$21,870,231".

Page 51, line 43, strike "\$21,801,282" and insert "\$21,964,083".

Page 53, after line 3, insert:

"D.1. Out of the amounts included in this item is \$68,949 the first year and \$162,801 the second year from the general fund for the Compensation Board to implement a Deputy Treasurers' Career Development Program. The Compensation Board shall adopt minimum criteria for the Deputy Treasurers' Career Development Program by July 15, 2004. The minimum criteria shall include initial and continuing education requirements for the Deputy Treasurers and performance criteria. The Compensation Board shall submit the minimum criteria for Deputy Treasurers' Career Development Program to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than August 15, 2004.

2. For each Deputy Treasurer selected by the Treasurer for participation in the Deputy Treasurers' Career Development Program, the Compensation Board shall increase the annual salary established for that position by 9.3 percent, effective December 1, following receipt of the Treasurer's certification that the minimum requirements of the Deputy Treasurers' Career Development Program have been met, and provided that such certification is submitted by the Treasurer as part of the annual budget request to the Compensation Board on February 1st of each year. The first period for Treasurers to make this certification and select Deputy Treasurers for participation in the Career Development Program will be on the budget request submitted to the Compensation Board on or before February 1, 2005, for a salary increase effective date of December 1, 2005. Subsequent new certifications and selections for participation shall occur each year as a part of the annual budget request submission on or before February 1st of each year, for an effective date of salary increase of the following December 1st."

Administration			Item 69 #2c
Compensation Board	FY 04-05	FY 05-06	
	(\$5,536,713)	(\$5,536,713)	GF

Language:

Page 51, line 43, strike "\$21,801,282" and insert "\$16,264,569".

Page 51, line 43, strike "\$21,801,282" and insert "\$16,264,569".

Page 51, strike lines 44 through 46, and insert:

"Financial Assistance for Administration (xxx) ...	\$7,860,338	\$7,860,338
Financial Assistance for Treasurers	\$7,384,347	\$7,384,347
Financial Assistance for State Tax Services	\$1,019,884	\$1,019,884"

Administration			Item 69.10 #1c
Compensation Board	FY 04-05	FY 05-06	
	\$5,536,713	\$5,536,713	GF

Language:

Page 53, after line 3, insert:

"Financial Assistance for Administration (xxx) ...	\$515,271	\$515,271
Financial Assistance to Local Directors of Finance	\$5,021,442	\$5,021,442

Authority: Title 15.2, Chapter 16, Articles 2 and 6.1, Code of Virginia.

A.1. The annual salaries of elected or appointed officers who hold the combined office of city treasurer and commissioner of the revenue, or elected or appointed officers who hold the combined office of county treasurer and commissioner of the revenue subject to the provisions of

§ 15.2-1636.17, Code of Virginia, shall be as hereinafter prescribed, based on the services provided, except as otherwise provided in § 15.2-1636.12, Code of Virginia.

	July 1, 2004 to November 30, 2004	December 1, 2004 to November 30, 2005	December 1, 2005 to June 30, 2006
Less than 10,000	\$50,165	\$51,670	\$51,670
10,000-19,999	\$55,741	\$57,413	\$57,413
20,000-39,999	\$61,934	\$63,792	\$63,792
40,000-69,999	\$68,814	\$70,878	\$70,878
70,000-99,999	\$76,461	\$78,755	\$78,755
100,000-174,999	\$84,955	\$87,504	\$87,504
175,000 to 249,999	\$89,428	\$92,111	\$92,111
250,000 and above	\$101,622	\$104,671	\$104,671

2. Whenever any officer whether elected or appointed, who holds that combined office of city treasurer and commissioner of the revenue, is such for two or more cities or for a county and city together, the aggregate population of such political subdivisions shall be the population for the purpose of arriving at the salary of such officer under the provisions of this item.

B. There is hereby reappropriated the unexpended balance remaining in this program on June 30, 2004, and June 30, 2005.

C.1. The Treasurers' Career Development Program shall be made available by the Compensation Board to appointed officers who hold the combined office of city or county treasurer and commissioner of the revenue subject to the provisions of §15.2-1636.17, Code of Virginia.

2. The Compensation Board may increase the annual salary in paragraph A1 of this item following receipt of the appointed officer's certification that the minimum requirements of the Treasurers' Career Development Program have been met, provided that such certifications are submitted by appointed officers as part of their annual budget request to the Compensation Board on February 1 of each year. The amount of increase shall be subject to appropriations by the General Assembly for this purpose."

Administration			Item 70 #1c
Compensation Board	FY 04-05	FY 05-06	
	\$84,272	\$198,978	GF

Language:

Page 53, line 4, strike "\$16,076,334" and insert "\$16,160,606".

Page 53, line 4, strike "\$16,076,334" and insert "\$16,275,312".

Page 53, after line 27, insert:

"C.1. Out of the amounts included in this Item is \$84,272 the first year and \$198,978 the second year from the general fund for the Compensation Board to establish a Commissioners' Career Development Program. The Compensation Board shall adopt minimum criteria for the Commissioners of the Revenue Career Development Program by August 1, 2004. The minimum criteria shall include initial and continuing education requirements for the Commissioners of the Revenue and Deputy Commissioners of the Revenue; specify the base duties, state income tax duties, and real estate services performed by Commissioners of the Revenue to be considered as part of the Career Development Program; and the adoption of certain Standards of Accountability to be attained by the Commissioners of the Revenue with respect to how the Commissioners' offices are managed and operated. The Compensation Board shall submit the minimum criteria for

Commissioners of the Revenue Career Development Program to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than August 15, 2004.

2. Following receipt of the Commissioner's certification that the minimum requirements of the Commissioners of the Revenue Career Development Program have been met, and provided that such certification is received by the Compensation Board on or before November 1, 2004, the Compensation Board shall increase the annual salary shown in Paragraph A of this item by the amount shown herein for a 12-month period effective December 1, 2004. Subsequent certifications shall be submitted by Commissioners of the Revenue as part of their annual budget request to the Compensation Board on February 1 of each year, with the salary increase becoming effective on the following December 1st for a 12-month period. The salary supplement shall be based upon the levels of service offered by the Commissioner of the Revenue for his/her locality and shall be in accordance with the following schedule:

- a. 4.7 percent increase for all Commissioners of the Revenue who certify their compliance with the established minimum criteria for the Commissioners of the Revenue Career Development Program;
- b. 2.3 percent additional increase for all Commissioners of the Revenue who certify their compliance with the established minimum criteria for the Commissioners of the Revenue Career Development Program and provide State Income Tax or Real Estate services as described in the minimum criteria for the Commissioners of the Revenue Career Development Program; and
- c. 2.3 percent additional increase for all Commissioners of the Revenue who certify their compliance with the established minimum criteria for the Commissioners of the Revenue Career Development Program and provide State Income Tax and Real Estate services, as described in the minimum criteria for the Commissioners of the Revenue Career Development Program.

D.1. Out of the amounts in this item shall be provided \$20,273 in the first year and \$52,571 in the second year from the general fund for the Compensation Board to implement a Deputy Commissioners' Career Development Program. The Compensation Board shall adopt minimum criteria for the Deputy Commissioners' Career Development Program by July 15, 2004. The minimum criteria shall include initial and continuing education requirements for the Deputy Commissioners of the Revenue; specify the base duties, state income tax duties, and real estate services performed by Commissioners' offices to be considered as part of the Career Development Program; and the adoption of certain Standards of Accountability to be attained by the Deputy Commissioners of the Revenue. The Compensation Board shall submit the minimum criteria for Deputy Commissioners' Career Development Program to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than August 15, 2004.

2. For each Deputy Commissioner selected by the Commissioner of the Revenue for participation in the Deputy Commissioners' Career Development Program, the Compensation Board shall increase the annual salary established for that position by 9.3 percent effective December 1, following receipt of the Commissioner of the Revenue's certification that the minimum requirements of the Deputy Commissioners' Career Development Program have been met, and provided that such certification is submitted by the Commissioner of the Revenue as part of the annual budget request to the Compensation Board on February 1st of each year. The first period for Commissioners of the Revenue to make this certification and select deputy commissioners for participation in the Deputy Commissioners' Career Development Program will be on the budget request submitted to the Compensation Board on or before February 1, 2005, for a salary increase effective date of December 1, 2005. Subsequent new certifications and selections for participation shall occur each year as a part of the annual budget request submission on or before February 1st of each year, for an effective date of salary increase of the following December 1st."

Administration
Compensation Board

Item 70 #2c

Language

Language:

Page 53, strike lines 5 and 6, and insert:

“Financial Assistance for Administration (xxx) ...	\$7,485,578	\$7,485,578	
Financial Assistance for Local Commissioners of the Revenue	\$8,371,660		\$8,371,660
Financial Assistance for State Tax Services	\$219,096	\$219,096”.	

Administration Item 78 #1c
 Department Of General Services Language

Language:

Page 57, after line 19, insert:

“D. The Department of Accounts shall provide a treasury loan of up to \$5,000,000 to the Department of General Services to support the department's expansion and overview of the statewide Virginia Partners in Procurement (VaPP) spend management program. The purpose of this program is to create savings for the Commonwealth's agencies and institutions by encouraging collaboration between agencies and institutions in areas where there exists overlap in purchasing. This treasury loan shall bear interest at a rate equal to the general fund composite investment rate and shall be repaid no later than June 30, 2008. Funding for the repayment of this loan will be from rebates or surcharges collected from and/or fees added to the statewide spend management contracts. The General Assembly strongly encourages all state agencies and institutions of higher education to participate in the statewide spend management program authorized in this item.”

Administration Item 79 #1c
 Department Of General Services Language

Language:

Page 58, line 8, strike the first “\$200,000” and insert “\$158,513”.

Page 58, line 8, strike the second “\$200,000” and insert “\$158,513”.

Administration Item 79 #2c
 Department Of General Services Language

Language:

Page 57, line 42, strike “\$23,171,209” and insert “\$23,562,008”.

Page 57, line 43, strike “\$23,571,669” and insert “\$24,028,797”.

Administration Item 90 #1c
 Department Of Veterans Services Language

Language:

Page 62, line 32, strike “the expenditure of ”.

Page 62, line 34, after “fund”, insert “is provided”.

Page 62, line 36, strike “, is contingent upon the” and insert “.”

Page 62, strike lines 37 through 39.

Administration Item 94 #1c
 State Board Of Elections Language

Language:

Page 64, line 30, strike “by an amount up” and insert “.”
 Page 64, strike line 31.
 Page 64, line 32, strike “general registrar pursuant to this act.”

Administration Item 94 #2c
 State Board Of Elections

Language

Language:
 Page 63, line 44, after “recent” insert “provisional”.

Commerce And Trade Item 95 #1c
 Secretary Of Commerce And Trade

Language

Language:
 Page 68, after line 55, insert:
 “C. The Secretary of Commerce and Trade, in conjunction with the Department of Aviation, shall examine the feasibility of developing an air freight center at the Virginia Highlands Airport in Abingdon, Virginia, or the Lonesome Pine Airport in Wise, Virginia. Such feasibility review shall identify infrastructure improvements that would be required at the respective airports, as well as adjacent improvements to house potential air freight businesses. The resulting report shall include an enumeration of all impediments to such development, a recommendation as to which airport would best serve as an air freight center, and a preliminary plan for the development of an air freight center. The Secretary shall submit his report and findings to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by December 15, 2004.”

Commerce And Trade			Item 95.10 #1c
Secretary Of Commerce And Trade	FY 04-05	FY 05-06	
	\$0	\$150,000	GF
	0.00	1.00	FTE

Language:
 Page 69, after line 3, insert:
 “95.10. Administrative and Support Services \$0 \$150,000
 General Management and Direction
 Fund Sources: General \$0 \$150,000.”
 “Pursuant to the provisions of Chapters 940 and 960 of the Acts of Assembly of 2004, the Governor shall transfer one position and requisite funding from the Department of Agriculture and Consumer Services and one position and requisite funding from the Office of the Secretary of Commerce and Trade to the Office of the Secretary of Agriculture and Forestry.”

Commerce And Trade			Item 97 #1c
Department Of Agriculture And Consumer Services	FY 04-05	FY 05-06	
	\$150,000	\$150,000	GF
	3.00	3.00	FTE

Language:
 Page 69, line 14, strike “\$7,890,059” and insert “\$8,040,059”.
 Page 69, line 14, strike “\$7,890,335” and insert “\$8,040,335”.
 Page 69, line 22, before “All”, insert “A.”
 Page 69, after line 23, insert:

“B. Out of the amounts in this item shall be transferred to the Agricultural Education Program in the College of Agriculture and Life Sciences at Virginia Polytechnic Institute and State University \$150,000 and three positions in the first year and \$150,000 and three positions in the second year from the general fund to support agricultural educational specialists to be located in the eastern and western portions of Virginia.”

Commerce And Trade

Item 97 #2c

Department Of Agriculture And Consumer Services

Language

Language:

Page 69, line 22, before “All”, insert “A.”

Page 69, after line 23, insert:

“B. The department shall work with the Secretary of Agriculture and Forestry to develop performance goals and strategies to measure the impact of the department's activities in these areas: (1) marketing and product promotion; (2) food safety and inspection services; (3) animal industry veterinary services and diagnostic laboratory services; and (4) plant pest and disease control services. The department shall submit these goals and measures by December 1, 2004, to the Chairmen of the Senate Finance and House Appropriations Committees. In addition, it is the intent of the General Assembly that the department incorporate these performance goals and strategies in budget amendments for review and approval by the 2005 Session.”

Commerce And Trade

Item 99 #1c

Department Of Agriculture And Consumer Services

Language

Language:

Page 70, strike lines 15 and 16.

Page 70, line 17, strike “9” and insert “8”.

Page 70, line 19, strike “10” and insert “9”.

Page 70, line 21, strike “11” and insert “10”.

Page 70, line 23, strike “12” and insert “11”.

Page 70, line 25, strike “13” and insert “12”.

Page 70, line 27, strike “14” and insert “13”.

Commerce And Trade

Item 99 #2c

Department Of Agriculture And Consumer Services

Language

Language:

Page 70, line 43, strike “Winegrowers Advisory” and insert “Wine”.

Page 70, line 44, strike “Winegrower's Productivity Fund” and insert:

“Virginia Wine Promotion Fund”.

Commerce And Trade

Item 99 #3c

Department Of Agriculture And
Consumer Services

FY 04-05
\$100,000

FY 05-06
\$0

GF

Language:

Page 69, line 30, strike "\$4,636,361" and insert "\$4,736,361".

Commerce And Trade			Item 104 #1c
Department Of Agriculture And	FY 04-05	FY 05-06	
Consumer Services	\$25,000	\$25,000	GF

Language:

Page 72, line 1, strike "\$2,243,624" and insert "\$2,268,624".

Page 72, line 1, strike "\$2,243,624" and insert "\$2,268,624".

Page 72, line 9, before "Notwithstanding", insert "A."

Page 72, line 11, strike "\$9" and insert "\$4".

Page 72, after line 14, insert:

"B.1. The Commissioner shall develop a long-term plan to adequately fund the weights and measures program. In developing the plan, the Commissioner shall seek input from representatives from local governments, private sector organizations and the public. The plan's objective is to develop a financial strategy for the program that will protect the public and the business sector without undue regulatory burdens. The plan shall address, but not be limited to, these factors: (1) the likelihood of additional general fund resources for this activity; (2) projected workloads, including the total number of devices subject to regulation and by type of device; (3) cost containment strategies in regulatory management through increased reliance upon technology; (4) options to fund the program or a portion of the program through a flexible fee schedule that considers the number of devices used by a business establishment and the time and resources to test such devices; and (5) legislation to implement the plan. The Commissioner shall submit the plan no later than January 14, 2005, to the Chairmen of the Senate Finance and Agriculture, Conservation and Natural Resources Committees, and House Appropriations and Agriculture, Chesapeake and Natural Resources Committees. Legislative proposals to carry out the plan must be introduced no later than January 14, 2005.

2. If these conditions are not fulfilled, then the Department of Agriculture and Consumer Services is authorized to reinstate, effective June 1, 2005, the \$9 per device registration fee authorized in Chapter 1042 of the Acts of Assembly of 2003 and assess and collect the additional \$5 per device prior to the end of fiscal year 2005. If the Department of Agriculture and Consumer Services fails to introduce legislative proposals to carry out the plan, the Department of Planning and Budget shall unallot \$222,980 the first year from special funds appropriated for the weights and measures program. Such moneys shall remain unallotted until such time as the Department of Agriculture and Consumer Services fulfills the conditions set out in these paragraphs."

Commerce And Trade			Item 104 #2c
Department Of Agriculture And Consumer Services			
			Language

Language:

Page 72, line 9, before "Notwithstanding", insert "A.1."

Page 72, after line 14, insert:

"2. However, any such entity that is subject to any permit fee, application fee, inspection fee, or similar fee imposed by any locality shall not be subject to this registration fee."

Commerce And Trade			Item 107 #1c
Department Of Business Assistance	FY 04-05	FY 05-06	
	\$300,000	\$0	GF

Language:

Page 73, line 18, strike "\$11,966,255" and insert "\$12,266,255".

Page 74, after line 37, insert:

“F. Out of the amounts provided for Industrial Development Services shall be provided \$300,000 the first year from the general fund for the Virginia Capital Access Program.”

Commerce And Trade			Item 107 #2c
Department Of Business Assistance	FY 04-05	FY 05-06	
	\$0	(\$148,700)	GF

Language:

Page 73, line 18, strike “\$11,966,255” and insert “\$11,817,555”.

Page 73, line 36, strike “and”.

Page 73, line 37, strike “\$148,700 the second year”.

Commerce And Trade			Item 107 #3c
Department Of Business Assistance	FY 04-05	FY 05-06	
	\$199,592	\$200,408	GF
	\$1,065,924	\$1,065,924	NGF
	16.50	16.50	FTE

Language:

Page 73, line 18, strike “\$11,966,255” and insert “\$13,231,771”.

Page 73, line 18, strike “\$11,966,255” and insert “\$13,232,587”.

Page 74, after line 37, insert:

“F. To encourage equal opportunity in state procurement, the Department of Business Assistance shall recognize and fully implement the Governor’s Executive Order 29 issued on July 2, 2002.

G.1. The Department of Business Assistance shall continue the study authorized under Item 125 of Chapter 1042 of the Acts of Assembly of 2003.

2. However, any monies held in an institutional fund outside of the state treasury for the purpose of carrying out the study shall be transferred to the state treasury. Such moneys shall be treated as special funds, and shall not be taken into consideration in, nor be used to reduce, state appropriations or payments, but such funds shall be used in accordance with the wishes of the donors to offset the costs of conducting analyses of the availability and utilization of minority business enterprises or otherwise strengthen the services rendered by the department to minority business enterprises in the Commonwealth. The Director, Department of Planning and Budget, is authorized to establish a nongeneral fund appropriation for the purpose of expending revenues that are received for this study.

H. The Department of Business Assistance is authorized to relocate from its present location to another less-expensive location more accessible to the public.

I. In developing the operating plan for the consolidated agency, the Department of Business Assistance shall seek input from representatives of affected client and industry groups. Upon completion of the operating plan, the Director, Department of Business Assistance, shall submit copies to the Chairmen of the Senate Finance and House Appropriations Committees for their review no later than October 1, 2004.

J. It is the intent of the General Assembly that proposed legislation in the 2005 Session to effectuate the merger shall ensure that the core operations of the Department of Minority Business Enterprise shall continue.”

Commerce And Trade			Item 107 #4c
Department Of Business Assistance	FY 04-05	FY 05-06	
	(\$335,000)	(\$335,000)	GF

Language:

Page 73, line 18, strike “\$11,966,255” and insert “\$11,631,255”.

Page 73, line 18, strike "\$11,966,255" and insert "\$11,631,255".

Page 73, strike line 43 through line 52.

Page 74, strike line 1 through line 17.

Page 74, line 18, strike "D." and insert "C."

Page 74, line 24, strike "E." and insert "D."

Commerce And Trade			Item 108 #1c
Department Of Forestry	FY 04-05	FY 05-06	
	\$159,000	\$159,000	GF

Language:

Page 74, line 47, strike "\$23,769,792" and insert "\$23,928,792".

Page 74, line 47, strike "\$23,766,671" and insert "\$23,925,671".

Commerce And Trade			Item 108 #2c
Department Of Forestry	FY 04-05	FY 05-06	
	\$125,000	\$250,000	GF

Language:

Page 74, line 47, strike "\$23,769,792" and insert "\$23,894,792".

Page 74, line 47, strike "\$23,766,671" and insert "\$24,016,671".

Page 75, strike lines 34 through 36 and insert:

"G. The appropriation in the Forestry and Reforestation Incentives subprogram includes \$125,000 the first year and \$250,000 the second year from the general fund for the Reforestation of Timberlands Fund. This appropriation shall be deemed sufficient to meet the provisions of Titles 10.1 and 58.1 Code of Virginia."

Commerce And Trade			Item 109 #1c
Department Of Housing And Community Development			
			Language

Language:

Page 76, after line 3, insert:

"As a condition of this appropriation, the Department of Housing and Community Development shall work towards accomplishing these goals and strategies in the 2004-2006 biennium:

A. In the program area of economic development, the department shall target community economic development activities to distressed areas of the Commonwealth with a goal of creating or retaining 4,500 jobs and stimulating new private investment of \$110 million that can be directly tied to the department's efforts in each year of the biennium.

B. In the program area of infrastructure development, the department shall provide access to new safe drinking water and approved wastewater disposal systems to households. The goal is to provide new water and/or wastewater service to 1,500 households through the department's projects in each year of the biennium.

C. In the program area of fire and building safety, the department shall increase fire safety in buildings subject to inspection by the State Fire Marshal's Office. The goal is to eliminate fire code violations by inspecting 4,000 buildings annually and bringing 95 percent of the buildings into compliance with the Statewide Fire Prevention Code in each year of the biennium.

D. In the program area of housing assistance, the department shall increase the availability of decent, safe and affordable housing to individuals and families at 60 percent of median income or below. The goal is to produce 100 units of new affordable rental housing, improve 2,950 units of substandard housing and provide homeownership opportunities to 400 households in each year of the biennium.

E. In the program area of homelessness, the department shall reduce the number of families and individuals experiencing homelessness. The goal is to prevent 2,400 households from becoming homeless and to move 5,000 homeless individuals and families into permanent housing in each year of the biennium.”

Commerce And Trade			Item 111 #1c
Department Of Housing And	FY 04-05	FY 05-06	
Community Development	\$50,000	\$100,000	GF

Language:

Page 77, line 2, strike “\$40,027,706” and insert “\$40,077,706”.

Page 77, line 2, strike “\$40,027,706” and insert “\$40,127,706”.

Page 79, after line 19, insert:

“H. Out of the amounts in this item shall be provided \$50,000 the first year and \$100,000 the second year from the general fund for the Center for Rural Virginia. The department shall report periodically to the Chairmen of the Senate Finance and House Appropriations Committees on the status, needs and accomplishments of the Center.”

Commerce And Trade			Item 112 #1c
Department Of Housing And	FY 04-05	FY 05-06	
Community Development	\$0	\$1,000,000	GF

Language:

Page 79, line 20, strike “\$1,960,000” and insert “\$2,960,000”.

Page 79, after line 47, insert:

“C.1. This item includes \$1,000,000 the second year from the general fund to support a performance job creation grant program in qualifying economically distressed localities. Localities eligible for participation in the program shall have an unemployment rate at least 175 percent of the statewide average over the past two years.

2. The Department of Housing and Community Development shall administer the performance job creation grant program and shall provide one-time grants to new or expanding businesses meeting the following criteria: (1) eligible companies shall be in the business of manufacturing or wholesale; forestry or fishing; transportation or information technologies. Retail establishments shall be ineligible; and (2) provide at least five additional or new full-time qualified positions. These positions represent net new jobs when compared to a company's record of permanent positions over the previous two years. Qualified positions shall mean a minimum of 35 hours of an employee's time a week for the entire normal year of the business firm's operations, which “normal year” must consist of at least 48 weeks, a minimum of 35 hours of an employee's time a week for the portion of the taxable year in which the employee was initially hired for, or transferred to, the business firm, or a minimum of 1,680 hours per year if the standard fringe benefits are paid by the business firm for the employee. Seasonal or temporary positions shall be ineligible for the grant program.

3. Any company eligible to apply for a grant under this item shall provide evidence, satisfactory to the Department of Housing and Community Development, of the amount of any capital investment, the number of new jobs created, and such other evidence required by the Department of Housing and Community Development to prove that the requirements and intent of this item have been satisfied, including any certification needed to prove that the qualified positions have been filled continuously over a 12-month period beginning July 1, 2004.

4. Grants shall be \$5,000 for each new employee up to a maximum of \$25,000 per business. If the jobs created by the new or expanding employer has a wage of at least twice the prevailing wage of that locality as determined by the Virginia Employment Commission, the per-employee grant shall increase to \$7,500 per employee, up to a maximum of \$37,500 per business. Total grants awarded under this program shall be limited to \$1,000,000 in fiscal year 2006.

5. The Department of Housing and Community Development shall report to the Secretary of Commerce and Trade, and to the Chairmen of the Senate Finance and House Appropriations Committees, on the program's results and any recommendations regarding program improvements or the program's continuation by December 30, 2005."

Commerce And Trade			Item 116 #1c
Department Of Labor And Industry	FY 04-05	FY 05-06	
	(\$212,830)	(\$202,830)	GF
	-4.00	-4.00	FTE

Language:

Page 80, line 32, strike "\$878,901" and insert "\$666,071".

Page 80, line 32, strike "\$868,901" and insert "\$666,071".

Commerce And Trade			Item 121 #1c
Department Of Mines, Minerals And Energy			
			Language

Language:

Page 81, line 44, strike "\$16,093" and insert "\$21,136".

Page 81, line 45, strike "\$16,093" and insert "\$21,136".

Commerce And Trade			Item 123 #1c
Department Of Mines, Minerals And Energy	FY 04-05	FY 05-06	
	(\$1,877,758)	\$0	GF

Language:

Page 82, line 22, strike "\$2,916,120" and insert "\$1,038,362".

Page 82, line 27, strike "A."

Page 82, strike lines 32 through 36.

Commerce And Trade			Item 125 #1c
Department Of Minority Business Enterprise	FY 04-05	FY 05-06	
	(\$634,605)	(\$663,571)	GF
	(\$1,065,924)	(\$1,065,924)	NGF
	-24.00	-24.00	FTE

Language:

Page 83, line 7, strike "\$1,700,529" and insert "\$0".

Page 83, line 7, strike "\$1,729,495" and insert "\$0".

Page 83, strike lines 7 through 56 and insert:

"Notwithstanding Title 2.2, Part C, Chapter 14, Code of Virginia, the Department of Minority Business Enterprise shall be merged into the Department of Business Assistance effective July 1, 2004. The powers and duties heretofore exercised by such agency shall hereafter be vested in the Department of Business Assistance."

Commerce And Trade			Item 128 #1c
Virginia Economic Development Partnership	FY 04-05	FY 05-06	
	(\$500,000)	(\$500,000)	GF

Language:

Page 84, line 33, strike "\$16,683,880" and insert "\$16,183,880".

Page 84, line 33, strike "\$16,151,939" and insert "\$15,651,939".

Page 86, strike line 38 through line 44 and insert:

“M. The amounts for Industrial Development Services include \$500,000 the first year and \$500,000 the second year from the general fund to market distressed areas of the Commonwealth.”

Commerce And Trade			Item 128 #2c
Virginia Economic Development Partnership	FY 04-05	FY 05-06	
	(\$250,000)	(\$250,000)	GF

Language:

Page 84, line 33, strike “\$16,683,880” and insert “\$16,433,880”.

Page 84, line 33, strike “\$16,151,939” and insert “\$15,901,939”.

Page 86, strike line 45 through line 48.

Page 86, line 49, strike “O” and insert “N”.

Commerce And Trade			Item 132 #1c
Virginia Racing Commission			
			Language

Language:

Page 89, after line 29, insert:

“D. From the amounts provided for in this item, up to \$40,000 the first year and \$40,000 the second year shall be transferred to the Department of Agriculture and Consumer Services for the Virginia Horse Industry Board; up to \$40,000 the first year and \$40,000 the second year shall be provided to the Virginia Equine Center Foundation.”

Page 89, line 30, strike “D.” and insert “E.”

Commerce And Trade			Item 134 #1c
Virginia Tourism Authority	FY 04-05	FY 05-06	
	\$75,000	\$75,000	GF

Language:

Page 89, line 43, strike “\$11,369,914” and insert “\$11,444,914”.

Page 89, line 43, strike “\$11,370,098” and insert “\$11,445,098”.

Page 90, line 44, strike the first “\$150,000” and insert “\$225,000”.

Page 90, line 44, strike the second “\$150,000” and insert “\$225,000”.

Commerce And Trade			Item 134 #2c
Virginia Tourism Authority			
			Language

Language:

Page 91, after line 12, insert:

“J. Out of the amounts for Tourist Promotion shall be provided \$25,000 the first year and \$25,000 the second year from the general fund to support the activities of the Coalfield Regional Tourism Authority.”

Commerce And Trade			Item 134 #3c
Virginia Tourism Authority			
			Language

Language:

Page 91, after line 12, insert:

“J. The Authority shall work with the Secretary of Commerce and Trade to develop performance goals and strategies to measure the impact of the Authority's programs and activities, specifically in the areas of (1) marketing and promotions, (2) customer service and industry relations, and (3) film and television productions in Virginia. The Authority shall submit these goals and measures by December 1, 2004, to the Chairmen of the Senate Finance and House Appropriations Committees. In addition, it is the intent of the General Assembly that the Authority incorporate these performance goals and strategies in budget amendments for review and approval by the 2005 Session.”

Commerce And Trade Item 134 #4c
 Virginia Tourism Authority

Language

Language:

Page 91, after line 12, insert:

“J. The Virginia Tourism Authority, in cooperation with the Virginia Wineries Association, the Virginia Wine Board and such other groups as necessary, shall enhance its “Virginia.org” tourism website to include comprehensive hyperlinked listings of wineries, “bed and breakfast” establishments, and historic attractions by geographic area of the Commonwealth. The web site shall include photographs of wineries and other attractions, which the Virginia Tourism Authority shall request from the respective Virginia wineries. Such hyperlinked directory shall be designed to assist potential travelers to the Commonwealth in the development of travel itineraries, and shall be organized such that the information is searchable by geographic vicinity. The Virginia Tourism Authority shall report on revisions made to its web site to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by November 15, 2004.”

Commerce And Trade Item 134 #5c
 Virginia Tourism Authority FY 04-05 FY 05-06
(\$500,000) (\$500,000) GF

Language:

Page 89, line 43, strike “\$11,369,914” and insert “\$10,869,914”.

Page 89, line 43, strike “\$11,370,098” and insert “\$10,870,098”.

Page 91, line 6, strike the first “\$1,000,000” and insert “\$500,000”.

Page 91, line 6, strike the second “\$1,000,000” and insert “\$500,000”.

Page 91, line 9, strike “is contingent upon the passage into”.

Page 91, strike lines 10 through 12 and insert “.”

Commerce And Trade Item 134 #6c
 Virginia Tourism Authority FY 04-05 FY 05-06
\$100,000 \$100,000 GF

Language:

Page 89, line 43, strike “\$11,369,914” and insert “\$11,469,914”.

Page 89, line 43, strike “\$11,370,098” and insert “\$11,470,098”.

Page 91, after line 12, insert:

“J. Out of the amounts provided for Tourist Promotion, \$100,000 the first year and \$100,000 the second year from the general fund shall be provided to “See Virginia First,” a public-private partnership operated by the Virginia Association of Broadcasters to advertise Virginia tourism.”

Commerce And Trade Item 134 #7c
 Virginia Tourism Authority FY 04-05 FY 05-06
(\$150,000) (\$150,000) GF

Language:

- Page 89, line 43, strike "\$11,369,914" and insert "\$11,219,914".
- Page 89, line 43, strike "\$11,370,098" and insert "\$11,220,098".
- Page 91, strike line 1 through line 4.
- Page 91, line 5, strike "I" and insert "H".

Commerce And Trade			Item 134 #8c
Virginia Tourism Authority	FY 04-05	FY 05-06	
	(\$50,000)	(\$50,000)	GF

Language:

- Page 89, line 43, strike "\$11,369,914" and insert "\$11,319,914".
- Page 89, line 43, strike "\$11,370,098" and insert "\$11,320,098".
- Page 90, line 38, strike "and other ethnic-American".

Commerce And Trade			Item 134 #9c
Virginia Tourism Authority			
			Language

Language:

- Page 91, after line 12, insert:
 "J. Out of the amounts provided for Tourist Promotion, \$75,000 the first year and \$75,000 the second year from the general fund shall be provided to support the "See Virginia First" cooperative advertising program operated by the Outdoor Advertising Association of Virginia. In fiscal year 2005 and in fiscal year 2006, the Outdoor Advertising Association of Virginia shall provide "three for the price of one" for an annual total of at least \$225,000 in advertising to promote tourism in Virginia."

Education: Elementary & Secondary			Item 135 #1c
Secretary Of Education	FY 04-05	FY 05-06	
	\$984,000	\$0	GF

Language:

- Page 92, line 3, strike "\$621,136" and insert "\$1,605,136".
- Page 94, after line 4, insert:
 "F. Out of this appropriation, \$984,000 the first year from the general fund is designated to support the continuation of the school efficiency reviews pilot, in cooperation with the Department of Planning and Budget. An evaluation of the pilot shall include recommendations for partial recovery of the cost of any reviews beginning in fiscal year 2006, such that if within two years after the recommendations have been made the school division superintendent or superintendent's designee has not certified that at least half the recommendations and savings have been implemented, the school division shall reimburse the state for 25 percent of the cost of the review."

Education: Elementary & Secondary			Item 135 #2c
Secretary Of Education	FY 04-05	FY 05-06	
	\$100,000	\$0	GF

Language:

- Page 92, line 3, strike "\$621,136" and insert "\$721,136".
- Page 94, after line 4, insert:
 "F. Out of this appropriation, \$100,000 the first year from the general fund is provided for the following capital needs assessment and feasibility study. In the pre-planning phase for the

consolidation at a single campus, the Secretaries of Education, Health and Human Resources, Administration, and Finance, together with the State Board of Education, the Department of Education, the two schools for the deaf, blind, and multi-disabled, the Woodrow Wilson Rehabilitation Center, the Department of General Services, and the Department of Planning and Budget shall complete a capital needs assessment and feasibility study for consolidating the State's two existing schools for the deaf, blind, and multi-disabled. The Secretaries of Education, Health and Human Resources, Administration, and Finance shall submit a joint report on the capital needs assessment and feasibility study to the Governor and the Chairmen of the House Committees on Appropriations and Education, and the Senate Committees on Finance and Education and Health by October 1, 2004. Building upon the work of the 2003 Consolidation Task Force, the report shall also include a suggested timeline of steps necessary to achieve a well-planned consolidation of the two existing schools at the new location no later than September 1, 2007, including the closing of the existing sites and disposition of the properties as well as a mechanism to assist the local school divisions with program development for those children who will not continue at the new school."

Education: Elementary & Secondary Item 135 #3c
 Secretary Of Education Language

Language:

Page 94, after line 4, insert:

"F. Senior institutions of higher education shall make arrangements with community colleges for the remediation of students accepted for admission by the senior institutions."

Education: Elementary & Secondary Item 135 #4c
 Secretary Of Education Language

Language:

Page 93, strike lines 15 through 60.

Page 94, line 1, strike "E" and insert "D".

Education: Elementary & Secondary			Item 135 #5c
Secretary Of Education	FY 04-05	FY 05-06	
	(\$50,000)	\$0	GF

Language:

Page 92, line 3, strike "\$621,136" and insert "\$571,136".

Page 94, line 1, strike "\$50,000 the first year from".

Page 94, line 2, strike "the general fund and".

Education: Elementary & Secondary			Item 141 #1c
Department Of Education, Central	FY 04-05	FY 05-06	
Office Operations	(\$297,500)	(\$381,500)	GF

Language:

Page 97, line 18, strike "\$8,558,146" and insert "\$8,260,646".

Page 97, line 18, strike "\$8,779,646" and insert "\$8,398,146".

Page 99, line 2, strike "\$2,007,500" and insert "\$1,710,000".

Page 99, line 2, strike "\$2,229,000" and insert "\$1,847,500".

Education: Elementary & Secondary			Item 141 #2c
Department Of Education, Central	FY 04-05	FY 05-06	
Office Operations	\$0	\$320,000	GF

Language:

Page 97, line 18, strike "\$8,779,646" and insert "\$9,099,646".

Page 98, line 55, after "certificate", strike "for".

Page 98, strike lines 56 through 60 and insert ".".

Page 98, strike line 61, and insert "This".

Page 99, line 2, strike "\$2,229,000" and insert "2,549,000".

Education: Elementary & Secondary			Item 142 #1c
Department Of Education, Central	FY 04-05	FY 05-06	
Office Operations	(\$102,237)	(\$102,237)	NGF
	-1.00	-1.00	FTE

Language:

Page 99, line 19, strike "\$102,237" and insert "\$0".

Page 99, line 19, strike "\$102,237" and insert "\$0".

Page 99, strike lines 19 through 32 and insert "Omitted.".

Education: Elementary & Secondary			Item 144 #1c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$600,000	\$600,000	GF

Language:

Page 100, line 2, strike "\$457,997,916" and insert "\$458,597,916".

Page 100, line 2, strike "\$465,142,441" and insert "\$465,742,441".

Education: Elementary & Secondary			Item 144 #2c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$336,500	\$336,500	GF

Language:

Page 100, line 2, strike "\$457,997,916" and insert "\$458,334,416".

Page 100, line 2, strike "\$465,142,441" and insert "\$465,478,941".

Page 102, after line 44, insert:

"5.a. This appropriation includes \$4,712,910 the first year and \$5,433,379 the second year from the general fund for targeted education initiatives to improve student achievement and teacher quality, including a mentoring program for teachers with no experience working in schools that are at-risk of not meeting adequate yearly progress, a middle school math teacher initiative in at-risk schools, turnaround specialists to enhance the leadership in schools that have consistently failed to show improvement in student progress, virtual Advanced Placement courses, and GED tests as required by the No Child Left Behind Act. In addition, the appropriation includes \$500,000 the first year and \$500,000 the second year from the general fund for competitive grants of \$100,000 each to be awarded to school divisions which demonstrate a partnership agreement with a Virginia institution of higher learning and/or other entity for a defined leadership development training program that addresses the leadership standards established for such training as defined by the Board of Education. The Department of Education shall establish the guidelines for school divisions to apply for these grants. These grants shall be allocated over the biennium.

b. The Department of Education shall continue to work with the school divisions to estimate the cost impacts of the federal No Child Left Behind Act. The Superintendent of Public Instruction shall provide an update on the effort to determine expected local cost impacts, as well as state costs, to the Chairmen of the House Appropriations and Senate Finance Committees by July 31, 2004, and subsequent updates as needed.”

Education: Elementary & Secondary			Item 144 #3c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$200,000	\$200,000	GF

Language:

Page 100, line 2, strike “\$457,997,916” and insert “\$458,197,916”.

Page 100, line 2, strike “\$465,142,441” and insert “\$465,342,441”.

Page 101, after line 49, insert:

“3. Out of the amounts for Financial Assistance for Vocational Education Instruction, the Department of Education shall provide \$200,000 the first year and \$200,000 the second year from the general fund for the Jobs for Virginia Graduates initiative.”

Education: Elementary & Secondary			Item 144 #4c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$250,000	\$250,000	GF

Language:

Page 100, line 2, strike “\$457,997,916” and insert “\$458,247,916”.

Page 100, line 2, strike “\$465,142,441” and insert “\$465,392,441”.

Page 102, after line 44, insert:

“5. The appropriation for Financial Assistance for General Education includes \$250,000 the first year and \$250,000 the second year from the general fund for the Wolf Trap Institute for Early Learning Through the Arts to support reading and other educational skills in pre-school children and to support professional development opportunities for educators.”

Education: Elementary & Secondary			Item 145 #1c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$0	\$21,261,692	GF

Language:

Page 103, line 40, strike “\$275,092,690” and insert “\$296,354,382”.

Education: Elementary & Secondary			Item 145 #2c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$24,909,601)	(\$27,487,057)	GF

Language:

Page 103, line 40, strike “\$265,335,825” and insert “\$240,426,224”.

Page 103, line 40, strike “\$275,092,690” and insert “\$247,605,633”.

Education: Elementary & Secondary			Item 145 #3c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$11,437,562)	(\$54,625)	GF

Language:

Page 103, line 40, strike “\$265,335,825” and insert “\$253,898,263”.

Page 103, line 40, strike “\$275,092,690” and insert “\$275,038,065”.

Page 104, after line 44, insert:

“c. As a part of the review of the Virginia Retirement System pursuant to House Joint Resolution No. 34 the joint subcommittee shall review: 1) the Commonwealth's responsibilities for funding the teacher retirement system beyond the actuarial normal rate and 2) the Commonwealth's appropriate share for retirement payments by school divisions. In making this review, the joint subcommittee shall review the impact of the blended retirement rates on the retirement system, school divisions, and the Commonwealth.”

Education: Elementary & Secondary
Direct Aid To Public Education

Item 145 #4c

Language

Language:

Page 104, line 5, strike both “\$37,354” and insert “\$37,534”.

Education: Elementary & Secondary
Direct Aid To Public Education

Item 146 #1c

Language

Language:

Page 120, line 3, strike “\$59,070,000” and insert “\$59,380,000”.

Page 120, line 13, after “Authority in”, insert “the Spring of”.

Page 120, line 26, strike “each” and insert: “in fiscal year 2005 and \$59,380,000 in fiscal year 2006”.

Page 120, line 27, strike “year”.

Page 120, line 31, strike “respectively” and insert:

“for the Spring 2005 issuance, and September 30, 2005, for the Spring 2006 issuance”.

Page 120, line 35, after “Blind.”, insert:

“Schools and district centers that serve only pre-kindergarten students shall not be eligible for this grant.”

Page 121, strike lines 5 through 11.

Page 121, line 12, strike “d)” and insert “c)”.

Education: Elementary & Secondary
Direct Aid To Public Education

Item 146 #2c

Language

Language:

Page 109, after line 2, insert:

“8. In the event that the appropriations in Items 144 through 152 are not sufficient to meet the entitlements payable to school divisions pursuant to the provisions of each item, the Department of Education is authorized to transfer any available funds between these items to address such insufficiencies. If the total appropriations after such transfers remain insufficient to meet the entitlements of any program, the Department of Education is authorized to prorate such shortfall proportionately across all of the school divisions participating in the program where such shortfall occurred.”

Education: Elementary & Secondary
Direct Aid To Public Education

Item 146 #3c

FY 04-05
\$41,010

FY 05-06
\$7,506

GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,920,468,143".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,934,471,626".

Page 115, line 27, strike "\$64,567,263" and insert "\$64,608,273".

Page 115, line 28, strike "\$65,025,564" and insert "\$65,033,070".

Education: Elementary & Secondary			Item 146 #4c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$1,526,992)	(\$1,234,054)	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,918,900,141".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,933,230,066".

Page 117, line 46, strike "\$68,878,904" and insert "\$67,351,912".

Page 117, line 47, strike "\$69,033,753" and insert "\$67,799,699".

Education: Elementary & Secondary			Item 146 #5c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$22,588,552	\$28,075,678	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,943,015,685".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,962,539,798".

Page 122, line 39, strike "another program" and insert "Head Start program funding".

Page 122, line 44, after "full-day", insert "or half-day".

Page 122, line 47, after "establish", insert:

"academic standards that are in accordance with appropriate preparation for students to be ready to successfully enter into kindergarten. These standards shall be established in such a manner as to be measurable for student achievement and success. Students shall be required to be evaluated at specified times as determined appropriate by the Department of Education. Superintendents, or their designee, of each participating school division must certify that the At-Risk Four-Year-Old program follows the established standards in order to receive the funding".

Page 122, line 56, strike "sixty percent" and insert:

"90 percent the first year and 100 percent the second year".

Page 122, line 57, after "locality" insert "for a full-day program. Programs operating half-day shall receive state funds based on a fractional basis determined by the pro-rata portion of a full-day, school year program provided".

Page 123, strike lines 1 through 10.

Page 123, line 14, strike "May 15 of each year." and insert:

"June 30 the first year and May 15 the second year."

Page 123, line 37, strike "preschool".

Education: Elementary & Secondary			Item 146 #6c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$146,786)	(\$146,478)	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,920,280,347".

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,934,317,642".

Education: Elementary & Secondary			Item 146 #7c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$9,962,270)	(\$11,991,817)	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,910,464,863".
Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,922,472,303".

Education: Elementary & Secondary			Item 146 #8c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$55,020,114	\$55,562,990	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,975,447,247".
Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,990,027,110".

Education: Elementary & Secondary			Item 146 #9c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$10,093,313)	(\$10,093,313)	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,910,333,820".
Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,924,370,807".
Page 127, strike lines 37 through 52.
Page 128, strike lines 1 through 9.
Page 128, line 10, strike "16." and insert "15."

Education: Elementary & Secondary			Item 146 #10c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$4,694,255)	(\$5,633,862)	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,915,732,878".
Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,928,830,258".

Education: Elementary & Secondary			Item 146 #11c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$1,088,338)	(\$1,133,754)	GF

Language:

Page 105, line 15, strike "\$2,920,427,133" and insert "\$2,919,338,795".
Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,933,330,366".
Page 126, line 21, strike "\$8,620,718" and insert "\$7,532,380".
Page 126, line 22, strike "\$8,688,174" and insert "\$7,554,420".
Page 126, line 48, strike "failed the".
Page 126, strike line 49 and insert "qualify for the federal Free Lunch Program."

Education: Elementary & Secondary			Item 146 #12c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$0	\$153,289	GF

Language:

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,934,617,409".
Page 114, line 50, strike "and \$400,000 the second year".
Page 115, line 2, after "City of Norton.", insert:

“An additional state payment of \$200,000 the second year from the general fund is provided as a Small School Division Assistance grant for the school division of the City of Norton.”

Education: Elementary & Secondary			Item 146 #13c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$108,368,870	\$109,135,448	GF

Language:

Page 105, line 15, strike “\$2,920,427,133” and insert “\$3,028,796,003”.

Page 105, line 15, strike “\$2,934,464,120” and insert “\$3,043,599,568”.

Page 111, after line 35, insert:

“10. Included in the amounts provided to update the Standards of Quality for the 2004-06 biennium, approximately \$350 million reflects growth in prevailing salaries and related fringe benefits. It is the desire of the General Assembly that on average local school divisions continue to improve the average salary for classroom teachers by at least three percent per year, the actual average annual rate increase in recent years.”

Page 111, line 36, strike “10” and insert “11”.

Page 111, line 36, strike “11” and insert “12”.

Education: Elementary & Secondary			Item 146 #14c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$105,671,682	\$220,308,014	GF

Language:

Page 105, line 15, strike “\$2,920,427,133” and insert “\$3,026,098,815”.

Page 105, line 15, strike “\$2,934,464,120” and insert “\$3,154,772,134”.

Page 109, line 32, after “6.”, insert “a.”

Page 109, strike lines 44 through 47.

Page 109, line 43, after “Quality.” strike the rest of the line and insert:

“Funding in support of one hour of additional instruction per day based on the percent of students eligible for the federal free lunch program with a pupil-teacher ratio range of 18:1 to 10:1, depending upon a school division's combined failure rate on the English and Math Standards of Learning, is included in Remedial Education Payments (C8).”

Page 109, after line 47, insert:

“b. Appropriations in this item include programs supported in part by transfers to the general fund from the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund pursuant to Part 3 of this Act. These transfers combined together with other appropriations from the general fund in this item funds the state's share of the following revisions to the Standards of Quality pursuant to Chapters 939 & 955 of the Acts of Assembly of 2004 (Senate Bill 479 and House Bill 1014): five elementary resource teachers per 1,000 students; one support technology position per 1,000 students the first year; one support technology position and one instructional technology position per 1,000 students the second year; one quarter of the daily planning period for teachers at the middle and high school level and the full daily planning period for teachers at the middle and high school levels the second year in order to relieve the financial pressure these education programs place on local real estate taxes. Notwithstanding Chapters 939 and 955, of the Acts of Assembly of 2004, no school division shall be required to maintain instructional positions meeting the increased standards set forth in this paragraph until July 1, 2005.”

Page 114, after line 4 insert:

“k. The appropriation for Basic Aid includes \$83,500,000 the first year and \$105,350,000 the second year out of the amounts transferred to the general fund from the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund pursuant to Part 3 of this Act. These funds are combined together with other appropriations from the general fund in this item to fund the state's

share of the following revisions to the Standards of Quality pursuant to Chapters 939 and 955, of the Acts of Assembly of 2004: five elementary resource teachers per 1,000 students; one support technology position per 1,000 students the first year; one support technology position and one instructional technology position per 1,000 students the second year; one quarter of the daily planning period for teachers at the middle and high school level and the full daily planning period for teachers at the middle and high school levels the second year in order to relieve the pressure on local real estate taxes and shall be taken into account by the governing body of the county, city, or town in setting real estate tax rates.”

Education: Elementary & Secondary			Item 146 #15c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$22,681,261	\$22,955,725	GF

Language:

- Page 105, line 15, strike “\$2,920,427,133” and insert “\$2,943,108,394”.
- Page 105, line 15, strike “\$2,934,464,120” and insert “\$2,957,419,845”.
- Page 113, strike lines 40 through 45.
- Page 113, line 46, strike “i” and insert “h”.
- page 113, line 52, strike “j” and insert “i”.

Education: Elementary & Secondary			Item 146 #16c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$17,306,713)	(\$17,380,518)	GF

Language:

- Page 105, line 15, strike “\$2,920,427,133” and insert “\$2,903,120,420”.
- Page 105, line 15, strike “\$2,934,464,120” and insert “\$2,917,083,602”.
- Page 125, strike lines 39 through 58.
- Page 126, strike lines 1 through 19.
- Page 126, line 20, strike “13” and insert “12”.
- Page 127, line 7, strike “14” and insert “13”.
- Page 127, line 37, strike “15” and insert “14”.
- Page 128, line 10, strike “16” and insert “15”.

Education: Elementary & Secondary			Item 146 #17c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	(\$1,466,336)	(\$2,241,415)	GF

Language:

- Page 105, line 15, strike “\$2,920,427,133” and insert “\$2,918,960,797”.
- Page 105, line 15, strike “\$2,934,464,120” and insert “\$2,932,222,705”.
- Page 115, strike lines 8 through 25.

Education: Elementary & Secondary			Item 146 #18c
Direct Aid To Public Education			
			Language

Language:

- Page 114, line 1, strike “is contingent upon the passage”.

Page 114, strike lines 2 through 4 and insert “.”

Education: Elementary & Secondary
Direct Aid To Public Education

Item 146 #19c

Language

Language:

Page 128, line 11, strike “\$22,122,525” and insert “\$22,350,077”.

Page 128, line 12, strike “\$25,703,423” and insert “\$26,240,687”.

Page 128, strike lines 19 through 26.

Education: Elementary & Secondary
Direct Aid To Public Education

Item 146 #20c

Language

Language:

Page 112, line 18, strike “\$229,406,811” and insert “\$229,862,963”.

Page 112, line 19, strike “\$233,615,729” and insert “\$233,990,041”.

Page 115, line 27, strike “\$64,567,263” and insert “\$63,822,650”.

Page 115, line 28, strike “\$65,025,564” and insert “\$64,414,539”.

Education: Elementary & Secondary
Direct Aid To Public Education

Item 146 #21c

Language

Language:

Page 111, after line 44, insert:

“12. By November 15 of each year, the Department of Planning and Budget, in cooperation with the Department of Education, shall prepare and submit a preliminary forecast of Standards of Quality expenditures, based upon the most current data available, to the Chairmen of the House Appropriations and Senate Finance Committees. In odd-numbered years, the forecast for the current and subsequent two fiscal years shall be provided. In even-numbered years, the forecast for the current and subsequent fiscal year shall be provided. The forecast shall detail the projected Average Daily Membership and the resulting impact on the education budget.”

Education: Elementary & Secondary
Direct Aid To Public Education

Item 146 #22c

	FY 04-05	FY 05-06	
	(\$47,036,357)	(\$59,351,153)	GF

Language:

Page 105, line 15, strike “\$2,920,427,133” and insert “\$2,873,390,776”.

Page 105, line 15, strike “\$2,934,464,120” and insert “\$2,875,112,967”.

Education: Elementary & Secondary
Direct Aid To Public Education

Item 146 #23c

	FY 04-05	FY 05-06	
	(\$963,877)	(\$1,175,225)	GF

Language:

Page 105, line 15, strike “\$2,920,427,133” and insert “\$2,919,463,256”.

Page 105, line 15, strike "\$2,934,464,120" and insert "\$2,933,288,895".

Education: Elementary & Secondary
Direct Aid To Public Education

Item 146 #24c

Language

Language:

Page 108, line 47, strike "(returned on the basis" and insert:

"dedicated to public education and those sales tax revenues transferred to the general fund from the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund and appropriated in Item 147, both of which are returned on the basis of the most recent census of school age population collected by the Department of Education and distributed to school divisions in the fiscal year in which the school year begins and less the required local expenditure."

Page 108, strike lines 48 and 49.

Page 108, line 58, after "tax", strike "(returned on the basis of school" and insert:

"dedicated to public education and those sales tax revenues transferred to the general fund from the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund and appropriated in Item 147, both of which are returned on the basis of the most recent census of school age population collected by the Department of Education and distributed to school divisions in the fiscal year in which the school year begins."

Page 109, strike lines 1 and 2.

Page 109, line 22, after "tax", insert:

"dedicated to public education and those sales tax revenues transferred to the general fund from the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund and appropriated in Item 147".

Education: Elementary & Secondary
Direct Aid To Public Education

FY 04-05
\$260,000

FY 05-06
\$260,000

Item 147 #1c

GF

Language:

Page 128, line 28, strike "\$1,279,045,675" and insert "\$1,279,305,675".

Page 128, line 28, strike "\$1,328,043,698" and insert "\$1,328,303,698".

Education: Elementary & Secondary
Direct Aid To Public Education

FY 04-05
\$17,685,714

FY 05-06
\$21,285,714

Item 147 #2c

GF

Language:

Page 128, line 28, strike "\$1,279,045,675" and insert "\$1,296,731,389".

Page 128, line 28, strike "\$1,328,043,698" and insert "\$1,349,329,412".

Education: Elementary & Secondary
Direct Aid To Public Education

FY 04-05
\$8,333,333

FY 05-06
\$10,000,000

Item 147 #3c

GF

Language:

Page 128, line 28, strike "\$1,279,045,675" and insert "\$1,287,379,008".

Page 128, line 28, strike "\$1,328,043,698" and insert "\$1,338,043,698".

Education: Elementary & Secondary
Direct Aid To Public Education

FY 04-05
\$83,500,000

FY 05-06
\$105,350,000

Item 147 #4c

GF

Language:

Page 128, line 28, strike "\$1,279,045,675" and insert "\$1,362,545,675".

Page 128, line 28, strike "\$1,328,043,698" and insert "\$1,433,393,698".

Page 128, after line 33, insert:

"Financial Assistance for Public Education Standards of Quality/Local Real Estate Property Tax Relief (17703) \$83,500,000 \$105,350,000".

Page 129, after line 47, insert:

"C. 1. Out of the amounts appropriated from the general fund for Financial Assistance for Special State Revenue Sharing, \$83,500,000 the first year and \$105,350,000 the second year is from the amounts transferred to the general fund from the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund pursuant to § 3-5.05 of this Act.

2. These funds shall be distributed, along with the one cent of sales tax for public education in Paragraph A above on the basis of the most recent triennial census of school-aged population collected by the Department of Education in order to relieve the financial pressure that public education programs place on local real estate taxes and shall be taken into account by the governing body of the county, city, or town in setting real estate tax rates."

Education: Elementary & Secondary			Item 147 #5c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$1,728,935	\$2,085,788	GF

Language:

Page 128, line 28, strike "\$1,279,045,675" and insert "\$1,280,774,610".

Page 128, line 28, strike "\$1,328,043,698" and insert "\$1,330,129,486".

Education: Elementary & Secondary			Item 147 #6c
Direct Aid To Public Education			
			Language

Language:

Page 129, line 2, strike "\$20,519,407" and insert "\$19,774,792".

Page 129, line 2, strike "\$20,648,826" and insert "\$20,037,805".

Page 129, line 7, strike "\$229,406,811" and insert "\$229,862,963".

Page 129, line 8, strike "\$233,615,729" and insert "\$233,990,041".

Page 129, line 13, strike "\$145,070,808" and insert "\$145,356,607".

Page 129, line 13, strike "\$147,733,049" and insert "\$147,968,369".

Page 129, line 16, strike "\$218.26" and insert "\$218.69".

Page 129, line 17, strike "\$219.73" and insert "\$220.08".

Education: Elementary & Secondary			Item 149 #1c
Direct Aid To Public Education	FY 04-05	FY 05-06	
	\$177,829	\$177,930	GF

Language:

Page 130, line 23, strike "\$12,781,908" and insert "\$12,959,737".

Page 130, line 23, strike "\$13,049,102" and insert "\$13,227,032".

Page 131, line 11, strike "1,300" and insert "1,500".

Page 131, line 35, strike "2002-2003" and insert "2003-2004".

Education: Elementary & Secondary			Item 157.10 #1c
Direct Aid To Public Education			
			Language

Language:

Page 133, after line 35, insert:

“157.10.

A. The appropriation for the Financial Assistance for Public Education (Standards of Quality) in Item 146 and the appropriation for Financial Assistance for Special State Revenue Sharing in Item 147 include amounts estimated at \$167 million the first year and \$210.7 million the second year from the amounts transferred to the general fund from the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund pursuant to Part 3 of this Act which are derived from the 1/4 cent increase in the state sales and use tax levied pursuant to House Bill 5018, 2004 Special Session. These additional funds are provided to local school divisions and local governments in order to relieve the financial pressure education programs place on local real estate taxes.

B. From the total amounts in paragraph A. above, an amount estimated at \$83,500,000 the first year and \$105,350,000 the second year (approximately 1/8 cent of sales and use tax) is appropriated in Item 146 to support a portion of the cost of the state’s share of the following revisions to the Standards of Quality pursuant to Chapter 939 of the Acts of Assembly of 2004 (Senate Bill 479), and Chapter 955 of the Acts of Assembly (House Bill 1014): five elementary resource teachers per 1,000 students; one support technology position per 1,000 students in the first year and one support and one instructional technology position per 1,000 students in the second year; 1/4 of the daily planning period for teachers at the middle and high school levels the first year and the full daily planning period for teachers at the middle and high school levels the second year.”

C. From the total amounts in paragraph A. above, an amount estimated at \$83,500,000 the first year and \$105,350,000 the second year (approximately 1/8 cent of sales and use tax) is appropriated in Item 147 to distribute the remainder of the revenues collected and deposited into the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund on the basis of the most recent triennial census of school age population.”

Education: Higher Education

			Item 163 #1c
State Council Of Higher Education For	FY 04-05	FY 05-06	
Virginia	\$1,500,000	\$1,000,000	GF

Language:

Page 136, line 24, strike “\$47,525,465” and insert “\$49,025,465”.

Page 136, line 24, strike “\$46,384,948” and insert “\$47,384,948”.

Page 137, line 5, strike “\$39,891,082” and insert “\$41,391,082”.

Page 137, line 6, strike \$40,740,733” and insert “\$41,740,733”.

Page 137, line 8, strike “Of the amounts cited in this”.

Page 137, strike lines 9 through 15.

Page 137, strike lines 28 through 33 and insert:

“1. Payments to students out of this appropriation shall not exceed \$3,000 for qualified undergraduate students and \$2,200 for qualified graduate and medical students attending not-for-profit, independent institutions in accordance with §§ 23-38.12 through 23-38.19, Code of Virginia.”

Page 138, line 20, after “Grants.”, insert:

“However, beginning in fiscal year 2006 each new student entering the Virginia Women’s Institute for Leadership shall become eligible for Tuition Assistance Grants.”

Education: Higher Education

			Item 163 #2c
State Council Of Higher Education For	FY 04-05	FY 05-06	
Virginia	\$50,000	\$0	GF

Language:

Page 136, line 24, strike “\$47,525,465” and insert “\$47,575,465”.

Page 139, line 25, insert:

“H. Out of this appropriation, \$50,000 the first year from the general fund is provided for the Brown v. Board of Education Scholarship Program and Fund. The State Council of Higher Education for Virginia shall administer this program as set out in Chapter 935, of the Acts of Assembly of 2004.”

Education: Higher Education			Item 163 #3c
State Council Of Higher Education For Virginia	FY 04-05 (\$160,000)	FY 05-06 (\$160,000)	GF

Language:

Page 136, line 24, strike “\$47,525,465” and insert “\$47,365,465”.

Page 136, line 24, strike “\$46,384,948” and insert “\$46,224,948”.

Page 138, strike lines 34 through 54.

Page 139, strike lines 1 through 6.

Page 139, strike “G” and insert “F”.

Education: Higher Education			Item 163 #4c
State Council Of Higher Education For Virginia			Language

Language:

Page 139, line 12, strike “, is contingent” and insert “.”

Page 139, strike lines 13 through 15.

Page 139, after line 15, insert:

“2. a) Students qualifying under this provision shall be eligible for the waiver of nonresident tuition and fee charges for one year from the actual reporting date shown on military orders.

b) Such students shall continue to be eligible for the waiver of nonresident tuition and fee charges so long as either they or the nonresident parents claiming them as a dependent for federal or state income tax purposes are employed full time in Virginia, paying Virginia income taxes on all taxable income earned in this Commonwealth and the students are claimed as a dependent for Virginia and federal income tax purposes.”

Page 139, line 16, strike “2” and insert “3”.

Education: Higher Education			Item 164 #1c
State Council Of Higher Education For Virginia	FY 04-05 (\$68,000)	FY 05-06 (\$68,000)	GF

Language:

Page 139, line 27, strike “\$6,680,728” and insert “\$6,612,728”.

Page 139, line 27, strike “\$6,592,208” and insert “\$6,524,208”.

Page 140, strike lines 19 through 26.

Education: Higher Education			Item 164 #2c
State Council Of Higher Education For Virginia			Language

Language:

Page 139, line 52, after “1966.”, insert:

“This plan shall include provision for the inclusion of an allocation to match investment earnings on endowments established in accordance with Item 230 D. of this act.”

Education: Higher Education			Item 165 #1c
State Council Of Higher Education For Virginia	FY 04-05 (\$430,000)	FY 05-06 (\$370,000)	GF

Language:

Page 140, line 38, strike “\$9,842,470” and insert “\$9,412,470”.
 Page 140, line 38, strike “\$9,848,424” and insert “\$9,478,424”.
 Page 141, line 56, strike “\$5,606,894” and insert “\$5,176,894”.
 Page 141, line 57, strike “\$5,606,894” and insert “\$5,236,894”.
 Page 142, line 4, strike “Of the amounts cited in this paragraph.”,
 Page 142, strike lines 5 through 10.

Education: Higher Education			Item 165 #2c
State Council Of Higher Education For Virginia	FY 04-05 (\$135,290) -1.00	FY 05-06 (\$135,290) -1.00	GF FTE

Language:

Page 140, line 38, strike “\$9,842,470” and insert “\$9,707,180”.
 Page 140, line 38, strike “\$9,848,424” and insert “\$9,713,134”.

Education: Higher Education			Item 165 #3c
State Council Of Higher Education For Virginia	FY 04-05 \$0	FY 05-06 (\$150,000)	GF

Language:

Page 140, line 38, strike “\$9,848,424” and insert “\$9,698,424”.
 Page 141, line 2, strike the second “\$546,986” and insert “\$396,986”.
 Page 141, line 14, after “Grants.”, insert:
 “Beginning in fiscal year 2006, funding for this program will be phased out and each incoming class will be eligible for funding under the Tuition Assistance Grant program.”

Education: Higher Education			Item 165 #4c
State Council Of Higher Education For Virginia	FY 04-05 \$102,237 1.00	FY 05-06 \$102,237 1.00	NGF FTE

Language:

Page 140, line 38, strike “\$9,842,470” and insert “\$9,944,707”.
 Page 140, line 38, strike “\$9,848,424” and insert “\$9,950,661”.
 Page 142, after line 55, insert:
 “H. Out of this appropriation, \$102,237 in nongeneral funds and 1.0 position each year are provided for the oversight of proprietary schools in the Commonwealth pursuant to Chapter 991, of the Acts of Assembly of 2004.”

Education: Higher Education			Item 168 #1c
Christopher Newport University	FY 04-05 (\$664,224)	FY 05-06 (\$1,062,035)	GF

Language:

Page 143, line 29, strike "\$34,870,597" and insert "\$34,206,373".

Page 143, line 29, strike "\$35,707,092" and insert "\$34,645,057".

Page 143, line 39, strike "A."

Page 143, strike lines 44 through 49.

Page 144, strike lines 1 through 5.

Education: Higher Education			Item 168 #2c
Christopher Newport University	FY 04-05	FY 05-06	
	\$208,800	\$790,265	NGF

Language:

Page 143, line 29, strike "\$34,870,597" and insert "\$35,079,397".

Page 143, line 29, strike "\$35,707,092" and insert "\$36,497,357".

Page 144, after line 5, insert:

"C. Christopher Newport University shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Education: Higher Education			Item 168 #3c
Christopher Newport University	FY 04-05	FY 05-06	
	\$1,987,073	\$3,269,605	GF

Language:

Page 143, line 29, strike "\$34,870,597" and insert "\$36,857,670".

Page 143, line 29, strike "\$35,707,092" and insert "\$38,976,697".

Page 144, after line 5, insert:

"C. Out of this appropriation, \$1,987,073 the first year and \$3,269,605 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Education: Higher Education			Item 168 #4c
Christopher Newport University	FY 04-05	FY 05-06	
	\$211,788	\$390,994	GF

Language:

Page 143, line 29, strike "\$34,870,597" and insert "\$35,082,385".

Page 143, line 29, strike "\$35,707,092" and insert "\$36,098,086".

Education: Higher Education			Item 169 #1c
Christopher Newport University	FY 04-05	FY 05-06	
	\$315,711	\$315,711	GF

Language:

Page 144, line 6, strike "\$2,490,787" and insert "\$2,806,498".

Page 144, line 6, strike "\$2,490,787" and insert "\$2,806,498".

Education: Higher Education			Item 172 #1c
The College Of William And Mary In Virginia	FY 04-05 (\$403,250)	FY 05-06 \$0	GF

Language:

Page 144, line 35, strike "\$100,624,631" and insert "\$100,221,381".

Page 145, strike lines 10 through 22.

Page 145, line 23, strike "D" and insert "C".

Education: Higher Education			Item 172 #2c
The College Of William And Mary In Virginia	FY 04-05 (\$624,381)	FY 05-06 (\$443,354)	GF

Language:

Page 144, line 35, strike "\$100,624,631" and insert "\$100,000,250".

Page 144, line 35, strike "\$100,285,985" and insert "\$99,842,631".

Page 145, strike lines 23 through 34.

Education: Higher Education			Item 172 #3c
The College Of William And Mary In Virginia	FY 04-05 \$2,852,278	FY 05-06 \$6,024,156	NGF

Language:

Page 144, line 35, strike "\$100,624,631" and insert "\$103,476,909".

Page 144, line 35, strike "\$100,285,985" and insert "\$106,310,141".

Page 145, after line 34, insert:

"E. The College of William and Mary shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Education: Higher Education			Item 172 #4c
The College Of William And Mary In Virginia	FY 04-05 \$1,336,583	FY 05-06 \$2,096,289	GF

Language:

Page 144, line 35, strike "\$100,624,631" and insert "\$101,961,214".

Page 144, line 35, strike "\$100,285,985" and insert "\$102,382,274".

Page 145, after line 34, insert:

"E. Out of this appropriation, \$1,336,583 the first year and \$2,096,289 the second year from the general fund is provided from the general fund to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its

academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 172 #5c
The College Of William And Mary In Virginia	FY 04-05 \$0	FY 05-06 \$324,800	GF

Language:

Page 144, line 35, strike “\$100,285,985” and insert “\$100,610,785”.

Education: Higher Education			Item 172 #6c
The College Of William And Mary In Virginia	FY 04-05 \$395,540	FY 05-06 \$730,228	GF

Language:

Page 144, line 35, strike “\$100,624,631” and insert “\$101,020,171”.

Page 144, line 35, strike “\$100,285,985” and insert “\$101,016,213”.

Education: Higher Education			Item 176 #1c
Richard Bland College	FY 04-05 (\$63,000)	FY 05-06 (\$63,000)	GF

Language:

Page 146, line 34, strike “\$6,795,035” and insert “\$6,732,035”.

Page 146, line 34, strike “\$6,814,478” and insert “\$6,751,478”.

Page 146, strike lines 44 through 51.

Page 147, strike lines 1 through 3.

Education: Higher Education			Item 176 #2c
Richard Bland College	FY 04-05 \$56,755	FY 05-06 \$189,010	NGF

Language:

Page 146, line 34, strike “\$6,795,035” and insert “\$6,851,790”.

Page 146, line 34, strike “\$6,814,478” and insert “\$7,003,488”.

Page 146, after line 43, insert:

“A. Richard Bland College shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year.”

Page 146, line 44, before “Out”, insert “B.”

Education: Higher Education			Item 176 #3c
Richard Bland College	FY 04-05 \$63,000	FY 05-06 \$63,000	GF

Language:

Page 146, line 34, strike “\$6,795,035” and insert “\$6,858,035”.

Page 146, line 34, strike “\$6,814,478” and insert “\$6,877,478”.

Page 146, line 44, before “Out”, insert “A.”

Page 147, after line 3, insert:

“B. Out of this appropriation, \$63,000 the first year and \$63,000 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying

Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Education: Higher Education			Item 176 #4c
Richard Bland College	FY 04-05	FY 05-06	
	\$44,067	\$81,354	GF

Language:

Page 146, line 34, strike "\$6,795,035" and insert "\$6,839,102".
 Page 146, line 34, strike "\$6,814,478" and insert "\$6,895,832".

Education: Higher Education			Item 180 #1c
Virginia Institute Of Marine Science	FY 04-05	FY 05-06	
	\$660,544	\$660,544	GF

Language:

Page 147, line 30, strike "\$17,727,904" and insert "\$18,388,448".
 Page 147, line 30, strike "\$17,371,016" and insert "\$18,031,560".
 Page 148, after line 20, insert:
 "E. Out of this appropriation, \$660,544 the first year and \$660,544 the second year from the general fund is provided to address base funding needs and to mitigate the pressure on student tuition and fees. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Education: Higher Education			Item 180 #2c
Virginia Institute Of Marine Science	FY 04-05	FY 05-06	
	\$0	\$355,250	GF

Language:

Page 147, line 30, strike "\$17,371,016" and insert "\$17,726,266".

Education: Higher Education			Item 180 #3c
Virginia Institute Of Marine Science	FY 04-05	FY 05-06	
	(\$665,794)	(\$310,544)	GF

Language:

Page 147, line 30, strike "\$17,727,904" and insert "\$17,062,110".
 Page 147, line 30, strike "\$17,371,016" and insert "\$17,060,472".
 Page 148, strike lines 11 through 20.

Education: Higher Education			Item 180 #4c
Virginia Institute Of Marine Science	FY 04-05	FY 05-06	
	\$91,980	\$169,809	GF
	\$131,755	\$243,278	NGF

Language:

Page 147, line 30, strike "\$17,727,904" and insert "\$17,951,639".

Page 147, line 30, strike "\$17,371,016" and insert "\$17,784,103".

Education: Higher Education			Item 182 #1c
George Mason University	FY 04-05	FY 05-06	
	\$139,352	\$150,200	GF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$215,817,056".

Page 148, line 47, strike "\$215,490,073" and insert "\$215,640,273".

Education: Higher Education			Item 182 #2c
George Mason University	FY 04-05	FY 05-06	
	(\$4,528,537)	(\$4,021,514)	GF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$211,149,167".

Page 148, line 47, strike "\$215,490,073" and insert "\$211,468,559".

Page 149, strike lines 28 through 39.

Page 149, line 40, strike "E" and insert "D".

Education: Higher Education			Item 182 #3c
George Mason University	FY 04-05	FY 05-06	
	\$15,597,322	\$23,065,919	NGF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$231,275,026".

Page 148, line 47, strike "\$215,490,073" and insert "\$238,555,992".

Page 149, after line 52, insert:

"F. George Mason University shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Education: Higher Education			Item 182 #4c
George Mason University	FY 04-05	FY 05-06	
	\$4,500,914	\$7,557,421	GF

Language:

Page 148, line 47, strike "\$215,677,704" and insert "\$220,178,618".

Page 148, line 47, strike "\$215,490,073" and insert "\$223,047,494".

Page 149, after line 52, insert:

"F. Out of this appropriation, \$4,500,914 the first year and \$7,557,421 the second year from the general fund is provided fund to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic

programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 182 #5c
George Mason University	FY 04-05	FY 05-06	
	\$0	\$885,875	GF

Language:

Page 148, line 47, strike “\$215,490,073” and insert “\$216,375,948”.

Education: Higher Education			Item 182 #6c
George Mason University	FY 04-05	FY 05-06	
	\$996,739	\$1,840,133	GF

Language:

Page 148, line 47, strike “\$215,677,704” and insert “\$216,674,443”.

Page 148, line 47, strike “\$215,490,073” and insert “\$217,330,206”.

Education: Higher Education			Item 182 #7c
George Mason University	FY 04-05	FY 05-06	
	(\$403,250)	\$0	GF

Language:

Page 148, line 47, strike “\$215,677,704” and insert “\$215,274,454”.

Page 149, strike lines 40 through 52.

Education: Higher Education			Item 186 #1c
James Madison University	FY 04-05	FY 05-06	
	(\$1,694,148)	(\$2,067,449)	GF

Language:

Page 150, line 31, strike “\$136,809,392” and insert “\$135,115,244”.

Page 150, line 31, strike “\$138,108,694” and insert “\$136,041,245”.

Page 150, strike lines 42 through 49.

Page 151, strike lines 1 through 4.

Page 151, line 5, strike “B”.

Education: Higher Education			Item 186 #2c
James Madison University	FY 04-05	FY 05-06	
	\$2,568,357	\$8,857,952	NGF

Language:

Page 150, line 31, strike “\$136,809,392” and insert “\$139,377,749”.

Page 150, line 31, strike “\$138,108,694” and insert “\$146,966,646”.

Page 151, after line 12, insert:

“C. James Madison University shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year.”

Education: Higher Education			Item 186 #3c
James Madison University	FY 04-05	FY 05-06	
	\$3,543,604	\$7,170,576	GF

Language:

Page 150, line 31, strike "\$136,809,392" and insert "\$140,352,996".

Page 150, line 31, strike "\$138,108,694" and insert "\$145,279,270".

Page 151, after line 12, and insert:

"C. Out of this appropriation, \$3,543,604 the first year and \$7,170,576 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Education: Higher Education			Item 186 #4c
James Madison University	FY 04-05	FY 05-06	
	\$0	\$304,500	GF

Language:

Page 150, line 31, strike "\$138,108,694" and insert "\$138,413,194".

Education: Higher Education			Item 186 #5c
James Madison University	FY 04-05	FY 05-06	
	\$532,614	\$983,287	GF

Language:

Page 150, line 31, strike "\$136,809,392" and insert "\$137,342,006".

Page 150, line 31, strike "\$138,108,694" and insert "\$139,091,981".

Education: Higher Education			Item 190 #1c
Longwood University	FY 04-05	FY 05-06	
	(\$546,620)	(\$745,351)	GF

Language:

Page 151, line 48, strike "\$32,086,391" and insert "\$31,539,771".

Page 151, line 48, strike "\$32,427,726" and insert "\$31,682,375".

Page 152, strike lines 29 through 39.

Education: Higher Education			Item 190 #2c
Longwood University	FY 04-05	FY 05-06	
	\$643,392	\$1,558,846	NGF

Language:

Page 151, line 48, strike "\$32,086,391" and insert "\$32,729,783".

Page 151, line 48, strike "\$32,427,726" and insert "\$33,986,572".

Page 152, after line 39, insert:

"F. Longwood University shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as

prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year.”

Education: Higher Education			Item 190 #3c
Longwood University	FY 04-05	FY 05-06	
	(\$34,000)	(\$68,929)	GF

Language:

Page 151, line 48, strike “\$32,086,391” and insert “\$32,052,391”.

Page 151, line 48, strike “\$32,427,726” and insert “\$32,358,797”.

Page 152, strike lines 9 through 12 and insert:

“A.1. Out of this appropriation, \$443,855 and 7.0 positions the first year from the general fund is provided for the Halifax/South Boston Continuing Education Center and \$216,313 and 2.0 positions the first year from the general fund is provided for the Longwood Institute for Teaching Through Technology and Innovative Practices.

2. Out of this appropriation, \$660,168 and 9.0 positions the second year from the general fund is provided for the Halifax/South Boston Continuing Education Center with the intent that the Institute for Teaching Through Technology and Innovative Practices incorporate its functions into the Center by July 1, 2005.

3. In order to implement this change, Longwood University, in cooperation with the Virginia Community College System and the Halifax/South Boston Continuing Education Center, shall develop a plan to integrate the functions of the Longwood Institute for Teaching Through Technology and Innovative Practices into the Halifax/South Boston Continuing Education Center and shall report its plan to the Chairman of the House Appropriations and Senate Finance Committees by October 1, 2004.”

Page 152, line 21, strike “\$68,929” and insert “\$34,929”.

Page 152, line 21, strike “and”.

Page 152, line 22, strike “\$68,929 the second year”.

Page 152, strike lines 24 through 28.

Page 152, line 29, strike “E” and insert “D”.

Education: Higher Education			Item 190 #4c
Longwood University	FY 04-05	FY 05-06	
	\$1,969,647	\$3,572,123	GF

Language:

Page 151, line 48, strike “\$32,086,391” and insert “\$34,056,038”.

Page 151, line 48, strike “\$32,427,726” and insert “\$35,999,849”.

Page 152, after line 39, insert:

“F. Out of this appropriation, \$1,969,647 the first year and \$3,572,123 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 190 #5c
Longwood University	FY 04-05	FY 05-06	
	\$161,425	\$298,016	GF

Language:

Page 151, line 48, strike "\$32,086,391" and insert "\$32,247,816".
 Page 151, line 48, strike "\$32,427,726" and insert "\$32,725,742".

Education: Higher Education			Item 191 #1c
Longwood University	FY 04-05	FY 05-06	
	\$109,472	\$109,472	GF

Language:

Page 152, line 40, strike "\$2,244,638" and insert "\$2,354,110".
 Page 152, line 40, strike "\$2,244,638" and insert "\$2,354,110".

Education: Higher Education			Item 194 #1c
Mary Washington College	FY 04-05	FY 05-06	
	(\$409,437)	(\$409,437)	GF

Language:

Page 153, line 24, strike "\$36,497,598" and insert "\$36,088,161".
 Page 153, line 24, strike "\$36,494,738" and insert "\$36,085,301".
 Page 153, strike lines 35 through 44.
 Page 153, line 45, strike "B."

Education: Higher Education			Item 194 #2c
Mary Washington College	FY 04-05	FY 05-06	
	\$3,635,823	\$5,048,456	NGF

Language:

Page 153, line 24, strike "\$36,497,598" and insert "\$40,133,421".
 Page 153, line 24, strike "\$36,494,738" and insert "\$41,543,194".
 Page 153, after line 52, insert:
 "C. The University of Mary Washington shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Education: Higher Education			Item 194 #3c
Mary Washington College			
			Language

Language:

Page 153, line 23, strike "MARY WASHINGTON COLLEGE" and insert:
 "UNIVERSITY OF MARY WASHINGTON".
 Page 155, line 6, strike "Mary Washington College" and insert:
 "University of Mary Washington".

Education: Higher Education			Item 194 #4c
Mary Washington College	FY 04-05	FY 05-06	
	\$688,201	\$1,079,371	GF

Language:

Page 153, line 24, strike "\$36,497,598" and insert "\$37,185,799".
 Page 153, line 24, strike "\$36,494,738" and insert "\$37,574,109".

Page 153, after line 52, insert:

“C. Out of this appropriation, \$688,201 the first year and \$1,079,371 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 194 #5c
Mary Washington College	FY 04-05	FY 05-06	
	\$155,444	\$286,974	GF

Language:

Page 153, line 24, strike “\$36,497,598” and insert “\$36,653,042”.

Page 153, line 24, strike “\$36,494,738” and insert “\$36,781,712”.

Education: Higher Education			Item 198 #1c
Mary Washington College	FY 04-05	FY 05-06	
	\$100,000	\$100,000	GF

Language:

Page 154, line 22, strike “\$202,575” and insert “\$302,575”.

Page 154, line 22, strike “\$202,575” and insert “\$302,575”.

Education: Higher Education			Item 198 #2c
Mary Washington College			
			Language

Language:

Page 154, line 35, strike “Mary Washington College Board of Visitors” and insert:

“the Board of Visitors of the University of Mary Washington”.

Education: Higher Education			Item 200 #1c
Norfolk State University	FY 04-05	FY 05-06	
	(\$165,550)	(\$85,400)	GF

Language:

Page 155, line 14, strike “\$68,890,053” and insert “\$68,724,503”.

Page 155, line 14, strike “\$69,247,068” and insert “\$69,161,668”.

Page 156, strike lines 37 through 46.

Education: Higher Education			Item 200 #2c
Norfolk State University	FY 04-05	FY 05-06	
	\$1,302,887	\$2,791,807	NGF

Language:

Page 155, line 14, strike “\$68,890,053” and insert “\$70,192,940”.

Page 155, line 14, strike “\$69,247,068” and insert “\$72,038,875”.

Page 156, after line 46, insert:

“H. Norfolk State University shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year.”

Education: Higher Education			Item 200 #3c
Norfolk State University	FY 04-05	FY 05-06	
	\$125,000	\$314,077	GF

Language:

Page 155, line 14, strike “\$68,890,053” and insert “\$69,015,053”.

Page 155, line 14, strike “\$69,247,068” and insert “\$69,561,145”.

Page 156, after line 46, insert:

“H. Out of this appropriation, \$125,000 the first year and \$314,077 the second year from the general fund is provided to address base funding needs and to mitigate the pressure on student tuition and fees. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 200 #4c
Norfolk State University	FY 04-05	FY 05-06	
	\$252,023	\$465,273	GF

Language:

Page 155, line 14, strike “\$68,890,053” and insert “\$69,142,076”.

Page 155, line 14, strike “\$69,247,068” and insert “\$69,712,341”.

Education: Higher Education			Item 204 #1c
Old Dominion University	FY 04-05	FY 05-06	
	(\$403,250)	\$0	GF

Language:

Page 157, line 26, strike “\$145,939,158” and insert “\$145,535,908”.

Page 159, strike lines 8 through 20.

Education: Higher Education			Item 204 #2c
Old Dominion University	FY 04-05	FY 05-06	
	(\$4,792,981)	(\$6,408,254)	GF

Language:

Page 157, line 26, strike “\$145,939,158” and insert “\$141,146,177”.

Page 157, line 26, strike “\$149,163,120” and insert “\$142,754,866”.

Page 158, strike lines 51 through 55.

Page 159, strike lines 1 through 7

Page 159, line 8, strike “J” and insert “I”.

Education: Higher Education			Item 204 #3c
Old Dominion University	FY 04-05	FY 05-06	
	\$2,641,547	\$4,455,760	NGF

Language:

Page 157, line 26, strike “\$145,939,158” and insert “\$148,580,705”.

Page 157, line 26, strike "\$149,163,120" and insert "\$153,618,880".

Page 159, after line 20, insert:

"K. Old Dominion University shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Education: Higher Education			Item 204 #4c
Old Dominion University	FY 04-05	FY 05-06	
	(\$22,500)	(\$45,000)	GF
	0.00	-1.00	FTE

Language:

Page 157, line 26, strike "\$145,939,158" and insert "\$145,916,658".

Page 157, line 26, strike "\$149,163,120" and insert "\$149,118,120".

Page 158, line 13, strike "\$45,000" and insert "\$22,500".

Page 158, line 14, strike "and \$45,000 and 1.00 position the second".

Page 158, line 15, strike "year".

Education: Higher Education			Item 204 #5c
Old Dominion University	FY 04-05	FY 05-06	
	\$7,073,235	\$10,973,002	GF

Language:

Page 157, line 26, strike "\$145,939,158" and insert "\$153,012,393".

Page 157, line 26, strike "\$149,163,120" and insert "\$160,136,122".

Page 159, after line 20, insert:

"K.1. Out of this appropriation, \$7,073,235 the first year and \$10,973,002 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.

2. Out of this appropriation, the University may allocate funds to expand enrollment capacity through expansion of distance learning, Teletechnet and summer school."

Education: Higher Education			Item 204 #6c
Old Dominion University	FY 04-05	FY 05-06	
	\$0	\$406,000	GF

Language:

Page 157, line 26, strike "\$149,163,120" and insert "\$149,569,120".

Education: Higher Education			Item 204 #7c
Old Dominion University	FY 04-05	FY 05-06	
	\$617,991	\$1,140,906	GF

Language:

Page 157, line 26, strike "\$145,939,158" and insert "\$146,557,149".

Page 157, line 26, strike "\$149,163,120" and insert "\$150,304,026".

Education: Higher Education			Item 208 #1c
Radford University	FY 04-05	FY 05-06	
	(\$787,986)	(\$1,484,543)	GF

Language:

Page 160, line 25, strike "\$64,460,612" and insert "\$63,672,626".

Page 160, line 25, strike "\$65,754,529" and insert "\$64,269,986".

Page 160, strike lines 40 through 50.

Page 160, line 51, strike "C" and "B".

Education: Higher Education			Item 208 #2c
Radford University	FY 04-05	FY 05-06	
	\$1,384,255	\$2,388,276	NGF

Language:

Page 160, line 25, strike "\$64,460,612" and insert "\$65,844,867".

Page 160, line 25, strike "\$65,754,529" and insert "\$68,142,805".

Page 161, after line 3, insert:

"D. Radford University shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Education: Higher Education			Item 208 #3c
Radford University	FY 04-05	FY 05-06	
	(\$75,000)	(\$50,000)	GF

Language:

Page 160, line 25, strike "\$64,460,612" and insert "\$64,385,612".

Page 160, line 25, strike "\$65,754,529" and insert "\$65,704,529".

Page 160, strike lines 51 through 54.

Page 161, strike lines 1-3.

Education: Higher Education			Item 208 #4c
Radford University	FY 04-05	FY 05-06	
	\$2,997,573	\$5,243,123	GF

Language:

Page 160, line 25, strike "\$64,460,612" and insert "\$67,458,185".

Page 160, line 25, strike "\$65,754,529" and insert "\$70,997,652".

Page 161, after line 3, insert:

"D. Out of this appropriation, \$2,997,573 the first year and \$5,243,123 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic

programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 208 #5c
Radford University	FY 04-05	FY 05-06	
	\$307,700	\$568,061	GF

Language:

Page 160, line 25, strike “\$64,460,612” and insert “\$64,768,312”.

Page 160, line 25, strike “\$65,754,529” and insert “\$66,322,590”.

Education: Higher Education			Item 209 #1c
Radford University	FY 04-05	FY 05-06	
	\$417,186	\$417,186	GF

Language:

Page 161, line 4, strike “\$4,290,215” and insert “\$4,707,401”.

Page 161, line 4, strike “\$4,290,215” and insert “\$4,707,401”.

Education: Higher Education			Item 212 #1c
Southwest Virginia Higher Education Center	FY 04-05	FY 05-06	
	3.00	3.00	FTE

Language:

Page 162, line 2, strike the first “10.00” and insert “13.00”.

Page 162, line 2, strike the second “10.00” and insert “13.00”.

Page 162, line 4, strike the first “14.00” and insert “17.00”.

Page 162, line 4, strike the second “14.00” and insert “17.00”.

Education: Higher Education			Item 212 #2c
Southwest Virginia Higher Education Center	FY 04-05	FY 05-06	
	\$75,000	\$75,000	GF

Language:

Page 161, line 37, strike “\$1,875,458” and insert “\$1,950,458”.

Page 161, line 37, strike “\$1,875,753” and insert “\$1,950,753”.

Page 161, strike lines 42 through 47.

Education: Higher Education			Item 213 #1c
University Of Virginia	FY 04-05	FY 05-06	
	\$21,867	\$44,843	GF

Language:

Page 162, line 8, strike “\$362,362,301” and insert “\$362,384,168”.

Page 162, line 8, strike “\$372,357,689” and insert “\$372,402,532”.

Education: Higher Education			Item 213 #2c
University Of Virginia			
			Language

Language:

Page 165, after line 34, insert:

“O. Out of this appropriation, \$69,000 is provided each year from the general fund and \$53,189 is provided each year from nongeneral funds in support of the State Arboretum at Blandy Farm.”

Education: Higher Education			Item 213 #3c
University Of Virginia	FY 04-05	FY 05-06	
	(\$403,250)	\$0	GF

Language:

Page 162, line 8, strike “\$362,362,301” and insert “\$361,959,051”.

Page 165, strike lines 22 through 34.

Education: Higher Education			Item 213 #4c
University Of Virginia	FY 04-05	FY 05-06	
	(\$2,726,300)	(\$943,349)	GF

Language:

Page 162, line 8, strike “\$362,362,301” and insert “\$359,636,001”.

Page 162, line 8, strike “\$372,357,689” and insert “\$371,414,340”.

Page 165, strike lines 10 through 21.

Page 165, line 22, strike “N” and insert “M”.

Education: Higher Education			Item 213 #5c
University Of Virginia			
			Language

Language:

Page 165, after line 34, insert:

“O. The University of Virginia shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year.”

Education: Higher Education			Item 213 #6c
University Of Virginia	FY 04-05	FY 05-06	
	(\$56,135)	(\$56,135)	GF

Language:

Page 162, line 8, strike “\$362,362,301” and insert “\$362,306,166”.

Page 162, line 8, strike “\$372,357,689” and insert “\$372,301,554”.

Page 163, line 10, strike “\$561,345” and insert “\$505,210”.

Page 163, line 12, strike “\$561,345” and insert “\$505,210”.

Education: Higher Education			Item 213 #7c
University Of Virginia	FY 04-05	FY 05-06	
	(\$40,000)	(\$40,000)	GF

Language:

Page 162, line 8, strike “\$362,362,301” and insert “\$362,322,301”.

Page 162, line 8, strike “\$372,357,689” and insert “\$372,317,689”.

Page 164, line 15, strike “\$408,000” and insert “\$368,000”.

Page 164, line 16, strike "\$408,000" and insert "\$368,000".

Education: Higher Education			Item 213 #8c
University Of Virginia	FY 04-05	FY 05-06	
	\$3,843,157	\$7,547,085	GF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$366,205,458".

Page 162, line 8, strike "\$372,357,689" and insert "\$379,904,774".

Page 165, after line 34, insert:

"O.1. Out of this appropriation, \$3,843,157 the first year and \$7,547,085 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.

2. Out of this appropriation, the University may allocate funds to attract and retain distinguished faculty clinicians associated with the School of Medicine and the University's related health professional programs."

Education: Higher Education			Item 213 #9c
University Of Virginia	FY 04-05	FY 05-06	
	\$1,122,631	\$2,072,550	GF

Language:

Page 162, line 8, strike "\$362,362,301" and insert "\$363,484,932".

Page 162, line 8, strike "\$372,357,689" and insert "\$374,430,239".

Education: Higher Education			Item 213 #10c
University Of Virginia			
			Language

Language:

Page 164, line 55, strike "Such" and insert "Annual contributions to such".

Page 164, line 56, strike "two" and insert "three".

Page 164, line 58, after "revenues", insert:

"for which such reserves are established".

Page 165, after line 9, insert:

"4. On a monthly basis, the Comptroller of Virginia shall credit to the special reserve account fund detail for such reserve funds, the imputed interest earned by the investment of such reserve balances on deposit with the State Treasurer."

Education: Higher Education			Item 213 #11c
University Of Virginia	FY 04-05	FY 05-06	
	\$0	\$2,004,625	GF

Language:

Page 162, line 8, strike "\$372,357,689" and insert "\$374,362,314".

Education: Higher Education			Item 221 #1c
University Of Virginia's College At	FY 04-05	FY 05-06	
Wise	(221,112)	(221,112)	GF
	\$0	\$0	NGF

Language:

Page 167, line 32, strike "\$14,138,535" and insert "\$13,917,423".

Page 167, line 32, strike "\$14,135,756" and insert "\$13,914,644".

Page 167, strike lines 42 through 51.

Education: Higher Education			Item 221 #2c
University Of Virginia's College At	FY 04-05	FY 05-06	
Wise	\$204,586	\$641,270	NGF

Language:

Page 167, line 32, strike "\$14,138,535" and insert "\$14,343,121".

Page 167, line 32, strike "\$14,135,756" and insert "\$14,777,026".

Page 167, line 42, before "Out", insert "A."

Page 167, after line 51, insert:

"B. The University of Virginia's College at Wise shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Education: Higher Education			Item 221 #3c
University Of Virginia's College At	FY 04-05	FY 05-06	
Wise	\$465,000	\$515,000	GF

Language:

Page 167, line 32, strike "\$14,138,535" and insert "\$14,603,535".

Page 167, line 32, strike "\$14,135,756" and insert "\$14,650,756".

Page 167, after line 51, insert:

"B. Out of this appropriation, \$465,000 the first year and \$515,000 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Page 167, line 42, before "Out", insert "B."

Education: Higher Education			Item 221 #4c
University Of Virginia's College At	FY 04-05	FY 05-06	
Wise	\$76,497	\$141,225	GF

Language:

Page 167, line 32, strike "\$14,138,535" and insert "\$14,215,032".

Page 167, line 32, strike "\$14,135,756" and insert "\$14,276,981".

Education: Higher Education			Item 222 #1c
University Of Virginia's College At Wise	FY 04-05	FY 05-06	
	\$206,795	\$206,795	GF

Language:

Page 168, line 1, strike "\$893,115" and insert "\$1,099,910".

Page 168, line 1, strike "\$893,115" and insert "\$1,099,910".

Education: Higher Education			Item 225 #1c
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$0	\$55,000	GF

Language:

Page 168, line 43, strike "\$328,929,473" and insert "\$328,984,473".

Education: Higher Education			Item 225 #2c
Virginia Commonwealth University			
			Language

Language:

Page 169, line 39, strike "\$137,500" and insert "\$262,500".

Page 169, line 40, strike "\$137,500" and insert "\$262,500".

Education: Higher Education			Item 225 #3c
Virginia Commonwealth University			
			Language

Language:

Page 169, after line 20, insert:

"4. In the event the Governor imposes across-the-board general fund reductions, pursuant to his executive authority in § 4-1.04 of this act, the General Fund appropriation for the Family Practice programs shall be exempt from any reductions, provided the general fund appropriation for the family practice program is excluded from the total general fund appropriation for Virginia Commonwealth University for purposes of determining the University's portion of the statewide general fund reduction requirement."

Education: Higher Education			Item 225 #4c
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$400,000	\$400,000	GF

Language:

Page 168, line 43, strike "\$316,689,832" and insert "\$317,089,832".

Page 168, line 43, strike "\$328,929,473" and insert "\$329,329,473".

Page 169, line 7, strike "\$5,146,343" and insert "\$5,546,343".

Page 169, line 8, strike "\$5,146,343" and insert "\$5,546,343".

Page 169, line 11, after "programs.", insert:

“In allocating these funds, priority shall be given to providing full funding to the Shenandoah family practice program.”

Education: Higher Education			Item 225 #5c
Virginia Commonwealth University	FY 04-05	FY 05-06	
	(\$3,682,575)	(\$1,956,251)	GF

Language:

Page 168, line 43, strike “\$316,689,832” and insert “\$313,007,257”.

Page 168, line 43, strike “\$328,929,473” and insert “\$326,973,222”.

Page 172, strike lines 41 through 52.

Page 172, line 53, strike “P” and insert “O”.

Education: Higher Education			Item 225 #6c
Virginia Commonwealth University			
			Language

Language:

Page 173, after line 7, insert:

“Q. Virginia Commonwealth University shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year.”

Education: Higher Education			Item 225 #7c
Virginia Commonwealth University	FY 04-05	FY 05-06	
	(\$88,769)	(\$88,769)	GF

Language:

Page 168, line 43, strike “\$316,689,832” and insert “\$316,601,063”.

Page 168, line 43, strike “\$328,929,473” and insert “\$328,840,704”.

Page 169, line 43, strike “\$887,688” and insert “\$798,919”.

Page 169, line 45, strike “\$887,688” and insert “\$798,919”.

Education: Higher Education			Item 225 #8c
Virginia Commonwealth University	FY 04-05	FY 05-06	
	(\$30,000)	(\$49,000)	GF

Language:

Page 168, line 43, strike “\$316,689,832” and insert “\$316,659,832”.

Page 168, line 43, strike “\$328,929,473” and insert “\$328,880,473”.

Page 171, line 28, strike “\$97,500” and insert “\$67,500”.

Page 171, line 29, strike “\$97,500” and insert “\$48,500”.

Education: Higher Education			Item 225 #9c
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$7,202,141	\$15,097,866	GF

Language:

Page 168, line 43, strike “\$316,689,832” and insert “\$323,891,973”.

Page 168, line 43, strike “\$328,929,473” and insert “\$344,027,339”.

Page 173, after line 7, insert:

“Q. Out of this appropriation, \$7,202,141 the first year and \$15,097,866 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Education: Higher Education			Item 225 #10c
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$0	\$1,979,250	GF

Language:

Page 168, line 43, strike “\$328,929,473” and insert “\$330,908,723”.

Education: Higher Education			Item 225 #11c
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$1,508,894	\$2,785,650	GF

Language:

Page 168, line 43, strike “\$316,689,832” and insert “\$318,198,726”.

Page 168, line 43, strike “\$328,929,473” and insert “\$331,715,123”.

Education: Higher Education			Item 225 #12c
Virginia Commonwealth University	FY 04-05	FY 05-06	
	(\$403,250)	\$0	GF

Language:

Page 168, line 43, strike “\$316,689,832” and insert “\$316,286,582”.

Page 172, strike lines 53 through 58.

Page 173, strike lines 1 through 7.

Education: Higher Education			Item 230 #1c
Virginia Community College System	FY 04-05	FY 05-06	
	\$1,200,000	\$1,200,000	GF

Language:

Page 174, line 20, strike “\$506,981,339” and insert “\$508,181,339”.

Page 174, line 20, strike “\$517,392,172” and insert “\$518,592,172”.

Education: Higher Education			Item 230 #2c
Virginia Community College System	FY 04-05	FY 05-06	
	(\$14,503,553)	(\$20,885,499)	GF

Language:

Page 174, line 20, strike “\$506,981,339” and insert “\$492,477,786”.

Page 174, line 20, strike “\$517,392,172” and insert “\$496,506,673”.

Page 175, strike lines 2 through 13.

Page 175, line 14, strike “F” and insert “E”.

Page 175, line 20, strike “G” and insert “F”.

Page 175, line 36, strike “H” and insert “G”.

Page 175, line 40, strike "I" and insert "H".
 Page 175, line 52, strike "J" and insert "I".
 Page 176, line 1, strike "K" and insert "J".
 Page 176, line 6, strike "L" and insert "K".
 Page 176, line 20, strike "M" and insert "L".
 Page 177, line 8, strike "N" and insert "M".
 Page 177, line 20, strike "O" and insert "N".
 Page 177, line 39, strike "P" and insert "O".
 Page 177, line 58, strike "Q" and insert "P".
 Page 178, line 11, strike "R" and insert "Q".
 Page 178, line 21, strike "S" and insert "R".

Education: Higher Education			Item 230 #3c
Virginia Community College System	FY 04-05	FY 05-06	
	\$13,781,119	\$24,557,071	NGF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$520,762,458".
 Page 174, line 20, strike "\$517,392,172" and insert "\$541,949,243".
 Page 178, after line 26, insert:
 "T. The Virginia Community College System shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Education: Higher Education			Item 230 #4c
Virginia Community College System	FY 04-05	FY 05-06	
	\$22,000,205	\$38,039,186	GF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$528,981,544".
 Page 174, line 20, strike "\$517,392,172" and insert "\$555,431,358".
 Page 178, after line 26, insert:
 "T.1. Out of this appropriation, \$22,000,205 the first year and \$38,039,186 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.
 2. Out of this appropriation, the Virginia Community College System shall allocate funds to support increased lease costs at Northern Virginia Community College. The Virginia Community College System may also use a portion of these funds to support the expansion of three Middle College sites."

Education: Higher Education			Item 230 #5c
Virginia Community College System	FY 04-05	FY 05-06	
	\$2,326,271	\$4,294,653	GF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$509,307,610".
Page 174, line 20, strike "\$517,392,172" and insert "\$521,686,825".

Education: Higher Education

Virginia Community College System	FY 04-05	FY 05-06	Item 230 #6c
	\$288,560	\$381,168	GF

Language:

Page 174, line 20, strike "\$506,981,339" and insert "\$507,269,899".
Page 174, line 20, strike "\$517,392,172" and insert "\$517,773,340".

Education: Higher Education

Virginia Community College System	FY 04-05	FY 05-06	Item 231 #1c
	\$576,921	\$576,921	GF

Language:

Page 178, line 27, strike "\$71,178,055" and insert "\$71,754,976".
Page 178, line 27, strike "\$71,178,055" and insert "\$71,754,976".

Education: Higher Education

Virginia Military Institute	FY 04-05	FY 05-06	Item 237 #1c
	(\$347,050)	(\$347,050)	GF

Language:

Page 179, line 32, strike "\$23,286,222" and insert "\$22,939,172".
Page 179, line 32, strike "\$23,287,948" and insert "\$22,940,898".
Page 179, strike lines 43 through 53.

Education: Higher Education

Virginia Military Institute	FY 04-05	FY 05-06	Item 237 #2c
	\$1,322,993	\$2,099,598	NGF

Language:

Page 179, line 32, strike "\$23,286,222" and insert "\$24,609,215".
Page 179, line 32, strike "\$23,287,948" and insert "\$25,387,546".
Page 179, after line 42, insert:
"A. Virginia Military Institute shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."
Page 179, line 43, before "Out", insert "B."

Education: Higher Education

Virginia Military Institute	FY 04-05	FY 05-06	Item 237 #3c
	\$350,000	\$350,000	GF

Language:

Page 179, line 32, strike "\$23,286,222" and insert "\$23,636,222".
Page 179, line 32, strike "\$23,287,948" and insert "\$23,637,948".
Page 179, after line 42, insert:
"A. Out of this appropriation, \$350,000 the first year and \$350,000 the second year from the general fund is provided to address base funding needs and to mitigate the pressure on student tuition and

fees. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.”

Page 179, line 43, before “Out”, insert “B.”

Education: Higher Education			Item 237 #4c
Virginia Military Institute	FY 04-05	FY 05-06	
	\$64,966	\$119,935	GF

Language:

Page 179, line 32, strike “\$23,286,222” and insert “\$23,351,188”.

Page 179, line 32, strike “\$23,287,948” and insert “\$23,407,883”.

Education: Higher Education			Item 240 #1c
Virginia Military Institute			
			Language

Language:

Page 180, line 40, strike “\$204,201” and insert “\$199,660”.

Page 180, line 41, strike “\$1,199,503” and insert “\$1,172,824”.

Education: Higher Education			Item 242 #1c
Virginia Polytechnic Institute And State University	FY 04-05	FY 05-06	
	(\$403,250)	\$0	GF

Language:

Page 181, line 28, strike “\$362,411,049” and insert “\$362,007,799”.

Page 182, strike lines 38 through 50.

Education: Higher Education			Item 242 #2c
Virginia Polytechnic Institute And State University	FY 04-05	FY 05-06	
	(\$2,517,901)	(\$976,551)	GF

Language:

Page 181, line 28, strike “\$362,411,049” and insert “\$359,893,148”.

Page 181, line 28, strike “\$361,243,110” and insert “\$360,266,559”.

Page 182, strike lines 26 through 37.

Page 182, line 38, strike “I” and insert “H”.

Education: Higher Education			Item 242 #3c
Virginia Polytechnic Institute And State University	FY 04-05	FY 05-06	
	\$0	\$8,901,440	NGF

Language:

Page 181, line 28, strike “\$361,243,110” and insert “\$370,144,550”.

Page 182, after line 50, insert:

“J. Virginia Polytechnic Institute and State University shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The

report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year.”

Education: Higher Education			Item 242 #4c
Virginia Polytechnic Institute And State University	FY 04-05 (\$85,000)	FY 05-06 (\$175,000)	GF

Language:

- Page 181, line 28, strike “\$362,411,049” and insert “\$362,326,049”.
- Page 181, line 28, strike “\$361,243,110” and insert “\$361,068,110”.
- Page 182, line 20, strike “\$512,013” and insert “\$427,013”.
- Page 182, line 21, strike “\$512,013” and insert “\$337,013”.

Education: Higher Education			Item 242 #5c
Virginia Polytechnic Institute And State University	FY 04-05 \$4,182,727	FY 05-06 \$8,257,349	GF

Language:

- Page 181, line 28, strike “\$362,411,049” and insert “\$366,593,776”.
- Page 181, line 28, strike “\$361,243,110” and insert “\$369,500,459”.
- Page 182, after line 50, insert:
 “J.1. Out of this appropriation, \$4,182,727 the first year and \$8,257,349 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs.
 2. Out of this appropriation, the University may allocate funds to support the mobile chemistry laboratory program.”

Education: Higher Education			Item 242 #6c
Virginia Polytechnic Institute And State University	FY 04-05 \$0	FY 05-06 \$2,004,625	GF

Language:

- Page 181, line 28, strike “\$361,243,110” and insert “\$363,247,735”.

Education: Higher Education			Item 242 #7c
Virginia Polytechnic Institute And State University	FY 04-05 \$1,221,427	FY 05-06 \$2,254,942	GF

Language:

- Page 181, line 28, strike “\$362,411,049” and insert “\$363,632,476”.
- Page 181, line 28, strike “\$361,243,110” and insert “\$363,498,052”.

Education: Higher Education			Item 246 #1c
Virginia Cooperative Extension And Agricultural Experiment Station	FY 04-05 \$1,257,000 23.00	FY 05-06 \$1,257,000 23.00	GF FTE

Language:

Page 184, line 39, strike "\$71,748,805" and insert "\$73,005,805".

Page 184, line 39, strike "\$72,023,805" and insert "\$73,280,805".

Education: Higher Education

Virginia Cooperative Extension And
Agricultural Experiment Station

FY 04-05
(\$556,980)

FY 05-06
(\$831,980)

Item 246 #2c

GF

Language:

Page 184, line 39, strike "\$71,748,805" and insert "\$71,191,825".

Page 184, line 39, strike "\$72,023,805" and insert "\$71,191,825".

Page 185, strike lines 19 through 26.

Education: Higher Education

Virginia Cooperative Extension And
Agricultural Experiment Station

FY 04-05
\$618,413

FY 05-06
\$1,141,685

Item 246 #3c

GF

Language:

Page 184, line 39, strike "\$71,748,805" and insert "\$72,367,218".

Page 184, line 39, strike "\$72,023,805" and insert "\$73,165,490".

Education: Higher Education

Virginia State University

FY 04-05
(\$420,538)

FY 05-06
(\$319,038)

Item 247 #1c

GF

Language:

Page 185, line 43, strike "\$46,022,902" and insert "\$45,602,364".

Page 185, line 43, strike "\$45,978,142" and insert "\$45,659,104".

Page 185, strike lines 44 through 53.

Education: Higher Education

Virginia State University

FY 04-05
\$1,534,896

FY 05-06
\$2,900,709

Item 247 #2c

NGF

Language:

Page 185, line 43, strike "\$46,022,902" and insert "\$47,557,798".

Page 185, line 43, strike "\$45,978,142" and insert "\$48,878,851".

Page 186, after line 53, insert:

"E. Virginia State University shall report to the State Council of Higher Education for Virginia no later than May 1 of each year its tuition, fee, and all other nongeneral fund revenues, in a manner as prescribed by the State Council of Higher Education for Virginia. The report shall include revenues from the current fiscal year and a projection of anticipated revenues for the next fiscal year."

Education: Higher Education

Virginia State University

FY 04-05
\$358,078

FY 05-06
\$659,396

Item 247 #3c

GF

Language:

Page 185, line 43, strike "\$46,022,902" and insert "\$46,380,980".

Page 185, line 43, strike "\$45,978,142" and insert "\$46,637,538".

Page 186, after line 53, insert:

"E. Out of this appropriation, \$358,078 the first year and \$659,396 the second year from the general fund is provided to address base funding needs identified by the Joint Subcommittee Studying

Higher Education Funding Policies and to mitigate the pressure on student tuition and fees. These amounts reflect a portion of the additional general fund support needed to provide adequate base support of the institution's core academic function. These additional funds will allow the institution to serve more students, retain existing students more effectively, increase the number of students receiving a degree or certificate, and enhance the quality and rigor of its academic programs. The Secretary of Education shall monitor the institution's efforts to meet these objectives and other statewide needs."

Education: Higher Education			Item 247 #4c
Virginia State University	FY 04-05	FY 05-06	
	\$157,818	\$291,357	GF

Language:

Page 185, line 43, strike "\$46,022,902" and insert "\$46,180,720".

Page 185, line 43, strike "\$45,978,142" and insert "\$46,269,499".

Education: Higher Education			Item 251 #1c
Cooperative Extension And Agricultural	FY 04-05	FY 05-06	
Research Services	\$20,075	\$37,062	GF

Language:

Page 187, line 34, strike "\$7,275,641" and insert "\$7,295,716".

Page 187, line 34, strike "\$8,083,452" and insert "\$8,120,514".

Education: Other			Item 254 #1c
Jamestown-Yorktown Foundation	FY 04-05	FY 05-06	
	\$200,000	\$315,000	GF
	\$150,000	\$350,000	NGF
	3.00	7.00	FTE

Language:

Page 189, line 14, strike "\$12,086,638" and insert "\$12,436,638".

Page 189, line 14, strike "\$12,216,411" and insert "\$12,881,411".

Education: Other			Item 255 #1c
Jamestown 2007			

Language

Language:

Page 192, after line 18, insert:

"G. Except as provided otherwise in this paragraph, the provisions of the Virginia Public Procurement Act (§ 2.2-4300 et seq., Code of Virginia) shall not apply to the expenditure of funds from the Virginia 400th Anniversary Fund. However, the provisions of this paragraph shall not be effective until such time as the Board of Trustees of the Jamestown-Yorktown Foundation has adopted guidelines generally applicable to the procurement of goods and services by the Jamestown-Yorktown Foundation and Jamestown 2007 through the expenditure of funds from the Virginia 400th Anniversary Fund. The guidelines shall implement a system of competitive negotiation for professional services; shall prohibit discrimination because of race, religion, color, sex or national origin of the bidder or offeror in the solicitation or award of contracts; may take into account in all cases the dollar amount of the intended procurement, the term of the anticipated contract, and the likely extent of competition; may implement a prequalification procedure for contractors or products; may include provisions for cooperative procurement arrangements; shall

incorporate the prompt payment principles of §§ 2.2-4350 and 2.2-4354, Code of Virginia; and may implement provisions of law. The following sections of the Virginia Public Procurement Act shall continue to apply to procurement by the Jamestown-Yorktown Foundation and Jamestown 2007 with funds from the Virginia 400th Anniversary Fund: §§ 2.2-4311, 2.2-4315, 2.2-4330, 2.2-4333 through 2.2-4338, 2.2-4340 through 2.2-4342, and 2.2-4367 through 2.2-4377, Code of Virginia.”

Education: Other Item 255 #2c
Jamestown 2007 Language

Language:
Page 192, line 6, strike “K,” and insert “J.”

Education: Other Item 256 #1c
The Library Of Virginia Language

Language:
Page 192, line 42, before “It”, insert “A.”
Page 192, after line 45, insert:
“B. The Library of Virginia shall, with due diligence and dispatch, make such operating adjustments as are necessary and prudent to provide proper care for the Library's records and collections, having regard for the capacities and limitations of the Library building's physical plant. Such adjustments may include, but need not be limited to, relocating materials on and among floors of the building or elsewhere, including without limitation the Library's Records Center, and redeploying and adjusting staff work areas and conditions. The operating plans to accomplish any changes, as well as the implementation of such plans, shall be reported to the Secretaries of Education and Administration no later than August 1, 2004.”

Education: Other Item 260 #1c
The Library Of Virginia Language

Language:
Page 194, strike lines 14 through 18 and insert “Omitted.”

Education: Other Item 261 #1c
The Science Museum Of Virginia FY 04-05 FY 05-06
\$100,000 \$100,000 GF

Language:
Page 194, line 27, strike “\$8,765,003” and insert “\$8,865,003”.
Page 194, line 27, strike “\$8,766,329” and insert “\$8,866,329”.
Page 194, after line 48, insert:
“D. Out of this appropriation, \$100,000 each year from the general fund may be used to develop a collaborative science education program in support of the Standards of Learning between the Science Museum of Virginia and the Science Museum of Western Virginia.”

Education: Other Item 262 #1c
Virginia Commission For The Arts Language

Language:

Page 195, strike lines 27 through 33.

Education: Higher Education			Item 265 #1c
Eastern Virginia Medical School	FY 04-05	FY 05-06	
	\$175,000	\$175,000	GF

Language:

Page 196, line 36, strike "\$11,847,875" and insert "\$12,022,875".

Page 196, line 36, strike "\$11,847,875" and insert "\$12,022,875".

Education: Higher Education			Item 265 #2c
Eastern Virginia Medical School	FY 04-05	FY 05-06	
	(\$62,976)	(\$62,976)	GF

Language:

Page 196, line 36, strike "\$11,847,875" and insert "\$11,784,899".

Page 196, line 36, strike "\$11,847,875" and insert "\$11,784,899".

Page 197, line 16, strike "\$629,761" and insert "\$566,785".

Page 197, line 18, strike "\$629,761" and insert "\$566,785".

Education: Higher Education			Item 267 #1c
Institute For Advanced Learning And Research	FY 04-05	FY 05-06	
	\$750,000	\$750,000	GF

Language:

Page 198, line 39, strike "\$1,521,681" and insert "\$2,271,681".

Page 198, line 39, strike "\$1,521,681" and insert "\$2,271,681".

Page 198, strike lines 44 through 50.

Page 199, strike lines 1 through 17.

Education: Higher Education			Item 268 #1c
Roanoke Higher Education Authority	FY 04-05	FY 05-06	
	\$100,000	\$100,000	GF

Language:

Page 199, line 21, strike "\$618,075" and insert "\$718,075".

Page 199, line 21, strike "\$618,075" and insert "\$718,075".

Page 199, strike lines 27 and 28.

Page 199, line 29, strike "C." and insert "B."

Page 199, strike lines 43 through 50.

Education: Higher Education			Item 270 #1c
Virginia College Building Authority			

Language

Language:

Page 201, line 30, strike "\$52,169,843" and insert "\$52,669,843".

Page 201, line 31, strike "\$52,169,843" and insert "\$54,169,843".

Page 202, line 4, strike the first "500,000" and insert "1,000,000".

Page 202, line 4, strike the second "500,000" and insert "2,500,000".

Page 202, line 5, strike the first "\$52,169,843" and insert "\$52,669,843".

Page 202, line 5, strike the second "\$52,169,843" and insert "\$54,169,843".

Education: Higher Education Item 270 #2c
 Virginia College Building Authority Language

Language:

Page 201, line 50, strike the second "1,023,763" and insert "3,023,763".

Page 202, line 5, strike the second "\$52,169,843" and insert "\$54,169,843".

Education: Higher Education Item 270 #3c
 Virginia College Building Authority Language

Language:

Page 201, line 49, strike "Mary Washington College" and insert:
 "University of Mary Washington".

Finance Item 272 #1c
 Department Of Accounts Language

Language:

Page 203, line 43, before "The", insert "A."

Page 203, after line 46, insert:

"B. As a condition of the appropriation in this item, the Department shall provide to the Chairmen of the House Appropriations and Senate Finance Committees the expenditure and revenue reports necessary for timely legislative oversight of state finances. The necessary reports include monthly and year-end versions and shall be provided in an interactive electronic format agreed upon by the Chairmen of the House Appropriations and Senate Finance Committees, or their designees, and the Comptroller. Delivery of these reports shall occur by way of electronic mail or other methods to ensure their receipt within 48 hours of their initial run after the close of the business month."

Finance			Item 274 #1c
Department Of Accounts	FY 04-05	FY 05-06	
	(\$2,460,000)	(\$3,280,000)	GF
	-13.00	-18.00	FTE

Language:

Page 204, line 7, strike "\$5,757,749" and insert "\$3,297,749".

Page 204, line 7, strike "\$6,577,749" and insert "\$3,297,749".

Finance			Item 274 #2c
Department Of Accounts	FY 04-05	FY 05-06	
	\$100,000	\$200,000	GF
	2.00	3.00	FTE

Language:

Page 204, line 7, strike "\$5,757,749" and insert "\$5,857,749".

Page 204, line 7, strike "\$6,577,749" and insert "\$6,777,749".

Finance			Item 279 #1c
Department Of Accounts Transfer	FY 04-05	FY 05-06	
Payments	(\$3,050,000)	(\$4,250,000)	GF

Language:

Page 206, line 3, strike "\$58,100,000" and insert "\$55,050,000".

Page 206, line 3, strike "\$59,300,000" and insert "\$55,050,000".

Finance			Item 279 #2c
Department Of Accounts Transfer	FY 04-05	FY 05-06	
Payments	(\$450,000)	(\$450,000)	GF

Language:

Page 206, line 3, strike "\$58,100,000" and insert "\$57,650,000".

Page 206, line 3, strike "\$59,300,000" and insert "\$58,850,000".

Finance			Item 280 #1c
Department Of Accounts Transfer	FY 04-05	FY 05-06	
Payments	\$0	\$87,000,000	GF

Language:

Page 207, line 10, strike "\$87,000,000" and insert "\$174,000,000".

Finance			Item 280 #2c
Department Of Accounts Transfer	FY 04-05	FY 05-06	
Payments	\$0	(\$87,000,000)	GF

Language:

Page 207, line 10, strike "\$87,000,000" and insert "\$0".

Finance			Item 283 #1c
Department Of Planning And Budget	FY 04-05	FY 05-06	
	\$250,000	\$250,000	NGF
	2.00	2.00	FTE

Language:

Page 208, line 23, strike "\$5,551,734" and insert "\$5,801,734".

Page 208, line 23, strike "\$5,586,983" and insert "\$5,836,983".

Page 208, line 27, after "Virginia" insert:

"and Title 2.2, Chapter 26, Article 8, Code of Virginia".

Page 209, after line 9, insert:

"D.1. The Department of Planning and Budget shall provide staffing and operational support to the Commonwealth Competition Council. Other state agencies and institutions of the Commonwealth shall also assist the Commonwealth Competition Council in its work upon the request of the chairman of the Council.

2. There is hereby created upon the books of the Comptroller a special, nonreverting fund known as the "Commonwealth Competition Council Savings Recovery Fund." This Fund shall provide a nongeneral fund appropriation of \$250,000 each year for use by the Department of Planning and Budget in defraying the costs of providing staff and operational support to the council.

3. Prior to April 1 each year, the Director of the Department of Planning and Budget shall notify the Auditor of Public Accounts of any savings recommendations put forth by the Commonwealth

Competition Council for which savings are likely to be realized in the current fiscal year or in the fiscal year beginning on the next July 1 after such notification. The Auditor of Public Accounts shall audit the implementation of these savings recommendations and shall certify to the State Comptroller by June 1 each year the total savings realized by state agencies or institutions as a result of the savings recommendations put forth by the Commonwealth Competition Council. By July 1 each year, the State Comptroller shall transfer 10 percent of these certified savings to the Commonwealth Competition Council Savings Recovery Fund for support of the council's operations. However, if these savings have since accrued to the benefit of the general fund, either by subsequent budgetary action or by reversion, then following the certification of the savings by the Auditor of Public Accounts, the State Comptroller shall transfer the equivalent of 10 percent of the affected certified savings from the general fund to the Commonwealth Competition Council Savings Recovery Fund. The total amount transferred to the Commonwealth Competition Council Savings Recovery Fund pursuant to these provisions shall not exceed \$500,000 in any one fiscal year."

Finance			Item 286 #1c
Department Of Taxation	FY 04-05	FY 05-06	
	(\$3,446,321)	(\$1,835,207)	GF
	-22.00	-22.00	FTE

Language:

Page 210, line 11, strike "\$47,996,407" and insert "\$44,550,086".

Page 210, line 11, strike "\$47,903,407" and insert "\$46,068,200".

Finance			Item 286 #2c
Department Of Taxation	FY 04-05	FY 05-06	
	(\$579,499)	(\$579,499)	GF
	-12.00	-12.00	FTE

Language:

Page 210, line 11, strike "\$47,996,407" and insert "\$47,416,908".

Page 210, line 11, strike "\$47,903,407" and insert "\$47,323,908".

Finance			Item 286 #3c
Department Of Taxation	FY 04-05	FY 05-06	
	(\$251,326)	(\$251,326)	GF

Language:

Page 210, line 11, strike "\$47,996,407" and insert "\$47,745,081".

Page 210, line 11, strike "\$47,903,407" and insert "\$47,652,081".

Finance			Item 290 #1c
Department Of The Treasury			
			Language

Language:

Page 216, after line 54, insert:

"C. The Department of the Treasury shall report to the Governor and Chairmen of the House Appropriations and Senate Finance Committees by September 1, 2005, its recommended liability insurance premiums for constitutional officers and regional jails under the VARisk program for the following biennium. This report shall also include the basis for the department's recommendations, program administrative costs, the number and amount of settlements concluded in the previous fiscal year, the impact of those settlements on the program's reserves, and the actions the Department

has taken to reduce either the number and cost of claims or its administrative costs and attorneys fees.”

Finance			Item 290 #2c
Department Of The Treasury	FY 04-05	FY 05-06	
	\$850,350	\$0	GF

Language:

Page 216, line 33, strike “\$7,387,807” and insert “\$8,238,157”.

Page 216, after line 54, insert:

“C.1 Out of the amounts appropriated for Insurance Services, there shall be paid for the relief of Julius Earl Ruffin from the general fund, upon execution of a release of all present and future claims he may have against (i) the Commonwealth or any instrumentality, officer, employee, or political subdivision thereof, (ii) any legal counsel appointed pursuant to § 19.2-159, Code of Virginia, and (iii) all other parties of interest, (a) the sum of \$325,000 to be paid to Julius Earl Ruffin on or before August 1, 2004, by check issued by the State Treasurer on warrant of the Comptroller and (b) the sum of \$525,350 to purchase an annuity for the primary benefit of Julius Earl Ruffin providing for equal monthly payments for a period of 30 years commencing on or before September 1, 2004.

2. The State Treasurer shall purchase the annuity for Julius Earl Ruffin at the lowest cost available from any A+ rated company, including any A+ rated company from which the State Lottery Department may purchase an annuity. Such annuity shall contain beneficiary provisions providing for the annuity’s continued disbursement in the event of the death of Julius Earl Ruffin.”

Finance			Item 290 #3c
Department Of The Treasury	FY 04-05	FY 05-06	
	(\$48,674)	(\$48,674)	GF

Language:

Page 216, line 33, strike “\$7,387,807” and insert “\$7,339,133”.

Page 216, line 33, strike “\$7,287,807” and insert “\$7,239,133”.

Finance			Item 296 #1c
Treasury Board	FY 04-05	FY 05-06	
	\$0	\$163,218	GF

Language:

Page 220, line 36, strike “\$345,609,242” and insert “\$345,772,460”.

Page 222, line 12, strike “\$54,406” and insert “\$217,624”.

Page 222, line 6, strike “a.”

Page 222, line 11, strike “\$19,952,533” and insert “\$20,115,751”.

Page 222, strike lines 12 through 19.

Finance			Item 296 #2c
Treasury Board	FY 04-05	FY 05-06	
	(\$2,475,875)	(\$2,503,695)	GF

Language:

Page 220, line 36, strike “\$299,294,769” and insert “\$296,818,894”.

Page 220, line 36, strike “\$345,609,242” and insert “\$343,105,547”.

Page 224, line 3, strike “\$7,523,468” and insert “\$7,347,593”.

Page 224, line 3, strike “\$28,601,563” and insert “\$28,097,868”.

Page 224, line 6, strike “\$1,494,938” and insert “\$1,319,063”.

Page 224, line 6, strike "\$10,054,633" and insert "\$9,550,938".

Finance			Item 296 #3c
Treasury Board	FY 04-05	FY 05-06	
	\$0	(\$2,420,000)	GF
	\$0	\$2,420,000	NGF

Language:

Page 221, line 50, strike "\$18,026,100" and insert "\$15,606,100".

Page 221, line 51, strike "\$2,422,604" and insert "\$4,842,604".

Page 222, line 20, after "5.", insert "a."

Page 222, after line 54, insert:

"b. Out of the amounts included in C.3. of this item the following is a breakdown of each institution's nongeneral fund share of the debt service on the bond issues to finance the 2004-06 equipment purchase:

Institution	FY 2006
George Mason University	\$88,181
Old Dominion University	\$121,331
University of Virginia	\$774,492
Virginia Commonwealth University	\$186,717
Virginia Polytechnic Institute and State University	\$577,067
College of William and Mary	\$124,701
Christopher Newport University	\$3,854
University of Virginia's College at Wise	\$3,492
James Madison University	\$131,584
Longwood University	\$4,765
University of Mary Washington	\$37,299
Norfolk State University	\$66,878
Radford University	\$32,108
Virginia Military Institute	\$66,154
Virginia State University	\$79,922
Richard Bland College	\$546
Virginia Community College System	\$120,907
TOTAL	\$2,420,000".

Finance			Item 296 #4c
Treasury Board	FY 04-05	FY 05-06	
	\$150,000	\$800,000	GF

Language:

Page 220, line 36, strike "\$299,294,769" and insert "\$299,444,769".

Page 220, line 36, strike "\$345,609,242" and insert "\$346,409,242".

Finance

Item 296 #5c

Treasury Board

Language

Language:

Page 224, line 39, strike "\$1,235,000,000" and insert "\$1,300,000,000"

Health And Human Resources

Item 298 #1c

Secretary Of Health And Human Resources

Language

Language:

Page 228, after line 8, insert:

"The Secretary of Health and Human Resources, in cooperation with the Bureau of Insurance in the State Corporation Commission, shall report on the availability of obstetrical services in the Commonwealth and identify any areas of the Commonwealth where there is inadequate access to such services. The report shall include information on (i) the factors contributing to inadequate access to services; (ii) the availability and affordability of malpractice insurance for obstetricians; (iii) any specific problems regarding access to obstetrical care for Medicaid and Family Access to Medical Insurance Security enrollees; and (iv) an assessment of the degree to which these factors may be contributing to the lack of access to obstetrical care in certain areas of the Commonwealth. The report shall make recommendations on actions that can be taken to improve access to obstetrical care throughout the Commonwealth. The Secretary shall provide the report to the Chairmen of the House Appropriations and Senate Finance Committees and the Joint Commission on Health Care by November 1, 2004."

Health And Human Resources

Item 299 #1c

Comprehensive Services For At-Risk Youth And Families

Language

Language:

Page 231, after line 50, insert:

"F. The State Executive Council for the Comprehensive Services Act shall investigate the reasons leading to the practice of parents relinquishing custody of their children solely to obtain necessary and appropriate mental health services. The State Executive Council shall recommend policy options, including legislative action if appropriate, for abolishing this practice while continuing to make the services available and accessible to children, and report to the Chairmen of the House Appropriations and Senate Finance Committees, and to the Chairman of the Joint Commission on Health Care, by November 1, 2004."

Health And Human Resources

Item 299 #2c

Comprehensive Services For At-Risk Youth And Families

Language

Language:

Page 231, after line 50, insert:

"F. Pursuant to subdivision 3 of §2.2-52.06, Code of Virginia, Community Policy and Management Teams shall enter into agreements with the parents or legal guardians of children receiving services under the Comprehensive Services Act for At-Risk Children and Youth. The Office of Comprehensive Services shall be a party to any such agreement. If the parent or legal guardian fails

or refuses to pay the agreed upon sum on a timely basis and a collection action cannot be referred to the Division of Child Support Enforcement of the Department of Social Services, upon the request of the community policy management team, the Office of Comprehensive Services shall make a claim against the parent or legal guardian for such payment through the Department of Law's Division of Debt Collection in the Office of the Attorney General."

Health And Human Resources			Item 299 #3c
Comprehensive Services For At-Risk	FY 04-05	FY 05-06	
Youth And Families	(\$1,250,000)	(\$2,250,000)	GF

Language:

Page 228, line 15, strike "\$243,901,805" and insert "\$242,651,805".

Page 228, line 15, strike "\$258,301,341" and insert "\$256,051,341".

Page 228, line 23, strike "122,338,905" and insert "121,088,905".

Page 228, line 25, strike "131,283,579" and insert "129,033,579".

Page 228, line 40, strike "91,172,637" and insert "89,922,637".

Page 228, line 41, strike "96,449,154" and insert "94,199,154".

Page 231, after line 50, insert:

"F. The Office of Comprehensive Services, in cooperation with the Department of Medical Assistance Services, shall provide technical assistance and training to assist residential and treatment foster care providers who provide Medicaid-reimbursable services through the Comprehensive Services Act for At-Risk Children and Youth (CSA) to become Medicaid-certified providers.

G. The Office of Comprehensive Services shall work with the State Executive Council and the Department of Medical Assistance Services to assist Community Policy and Management Teams in appropriately accessing a full array of Medicaid-funded services for Medicaid-eligible children and youth through the Comprehensive Services Act for At-Risk Children and Youth, thereby increasing Medicaid reimbursement for treatment services and decreasing the number of denials for Medicaid services related to medical necessity and utilization review activities.

H. By November 1, 2004, the Office of Comprehensive Services shall report to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees and the Joint Commission on Health Care on progress in increasing Medicaid utilization for CSA services. The report shall also recommend additional strategies, as necessary, for increasing Medicaid utilization."

Health And Human Resources		Item 299 #4c
Comprehensive Services For At-Risk Youth And Families		Language

Language:

Page 229, after line 30, insert:

"d. Pursuant to § 2.2-5200, Code of Virginia, Community Policy and Management Teams shall seek to ensure that services and funding are consistent with the Commonwealth's policies of preserving families and providing appropriate services in the least restrictive environment, while protecting the welfare of children and maintaining the safety of the public. Each locality shall submit to the Office of Comprehensive Services information on utilization of residential facilities for treatment of children and length of stay in such facilities. By November 1 of each year, the Office of Comprehensive Services shall report to the Governor and Chairmen of the House Appropriations and Senate Finance Committees on utilization rates and average lengths of stays statewide and for each locality."

Health And Human Resources		Item 299 #5c
Comprehensive Services For At-Risk Youth And Families		Language

Language:

Page 231, after line 50, insert:

“F. Out of the federal Temporary Assistance to Needy Families block grant, \$957,821 the first year and \$957,821 the second year shall be designated for the “Community Services Trust Fund for Youth and Families.” The Office of Comprehensive Services shall assist the Department of Social Services in developing procedures to support these activities.”

Health And Human Resources			Item 301 #1c
Department For The Aging			
			Language

Language:

Page 232, line 36, strike “each” and insert “the second”.

Page 232, strike lines 48 through 52.

Page 233, strike lines 1 and 2.

Health And Human Resources			Item 301 #2c
Department For The Aging	FY 04-05	FY 05-06	
	\$0	(\$150,000)	GF

Language:

Page 232, line 16, strike “\$26,573,352” and insert “\$26,423,352”.

Page 233, line 35, strike “250,000” and insert “100,000”.

Health And Human Resources			Item 301 #3c
Department For The Aging	FY 04-05	FY 05-06	
	\$35,000	\$35,000	GF

Language:

Page 232, line 16, strike “\$26,433,352” and insert “\$26,468,352”.

Page 232, line 16, strike “\$26,573,352” and insert “\$26,608,352”.

Page 233, line 24, strike “\$329,809” and insert “\$364,809”.

Page 233, line 25, strike “\$329,809” and insert “\$364,809”.

Health And Human Resources			Item 301 #4c
Department For The Aging	FY 04-05	FY 05-06	
	\$750,000	\$850,000	GF

Language:

Page 232, line 16, strike “\$26,433,352” and insert “\$27,183,352”.

Page 232, line 16, strike “\$26,573,352” and insert “\$27,423,352”.

Health And Human Resources			Item 307 #1c
Department Of Health	FY 04-05	FY 05-06	
	(\$3,450,000)	(\$3,450,000)	NGF

Language:

Page 237, line 7, strike “\$25,179,240” and insert “\$21,729,240”.

Page 237, line 7, strike “\$25,179,240” and insert “\$21,729,240”.

Page 237, strike line 55.

Page 238, strike lines 1 through 6.

Page 238, line 7, strike “2” and insert “F”.

Health And Human Resources	Item 309 #1c
Department Of Health	
	Language

Language:

Page 238, line 26, strike “2002” and insert “2004”.

Page 238, line 27, strike “10.00” and insert “12.00”.

Page 238, line 32, after “Fund”, insert:

“and two dollars of each fee collected shall be used to fund health care services”.

Health And Human Resources			Item 310 #1c
Department Of Health	FY 04-05	FY 05-06	
	\$50,000	\$50,000	GF

Language:

Page 238, line 34, strike “\$89,997,059” and insert “\$90,047,059”.

Page 238, line 34, strike “\$91,107,059” and insert “\$91,157,059”.

Page 239, after line 15, insert:

“D. Out of this appropriation, \$50,000 the first year and \$50,000 the second year from the general fund shall be used to purchase medications for individuals who have tuberculosis but who do not qualify for free or reduced prescription drugs and who do not have adequate income or insurance coverage to purchase the required prescription drugs.”

Health And Human Resources			Item 312 #1c
Department Of Health	FY 04-05	FY 05-06	
	\$100,000	\$100,000	GF

Language:

Page 240, line 15, strike “\$5,176,490” and insert “\$5,276,490”.

Page 240, line 15, strike “\$5,176,490” and insert “\$5,276,490”.

Page 241, after line 56, insert:

“H. Out of this appropriation, \$100,000 the first year and \$100,000 the second year from the general fund shall be provided to the Virginia Department of Health to provide case management services to pregnant women in rural communities who lose obstetrical services.”

Health And Human Resources			Item 312 #2c
Department Of Health	FY 04-05	FY 05-06	
	\$50,000	\$50,000	GF

Language:

Page 240, line 15, strike “\$5,176,490” and insert “\$5,226,490”.

Page 240, line 15, strike “\$5,176,490” and insert “\$5,226,490”.

Page 240, line 22, strike “\$125,000” and insert “\$175,000”.

Page 240, line 23, strike “\$125,000” and insert “\$175,000”.

Page 240, line 27, strike the first “2,020,640” and insert “2,141,890”.

Page 240, line 27, strike the second “2,020,640” and insert “2,141,890”.

Health And Human Resources	Item 313 #1c
Department Of Health	
	Language

Language:

Page 242, after line 25, insert:

“B.1. Out of the federal Temporary Assistance to Needy Families block grant, \$176,800 the first year and \$176,800 the second year shall be designated for the Resource Mothers Sibling program.”

Page 242, line 26, strike “B.” and insert “2.”

Health And Human Resources
Department Of Health

Item 313 #2c

Language

Language:

Page 242, after line 30, insert:

“C. Out of the federal Temporary Assistance to Needy Families block grant, \$765,000 the first year and \$765,000 the second year shall be designated for the Partners in Prevention Program.”

Health And Human Resources
Department Of Health

Item 313 #3c

Language

Language:

Page 242, after line 30, insert:

“C. Out of the federal Temporary Assistance to Needy Families block grant, \$910,000 the first year and \$910,000 the second year shall be designated for the operation of the teenage pregnancy prevention programs in the health districts of Richmond, Norfolk, Alexandria, Roanoke City, Crater, Portsmouth, and Eastern Shore.”

Health And Human Resources
Department Of Health

Item 314 #1c

Language

Language:

Page 242, line 53, strike each “\$180,000” and insert “\$200,000”.

Page 243, after line 29, insert:

“3. Of this appropriation, \$200,000 the first year and \$200,000 the second year from federal Temporary Assistance to Needy Families/Social Services Block Grant funds shall be paid to the Virginia Health Care Foundation for programs that assist low-income persons in the acquisition of reduced cost medication from pharmaceutical manufacturers.”

Health And Human Resources
Department Of Health

Item 314 #2c

	FY 04-05	FY 05-06	
	\$125,000	\$125,000	GF

Language:

Page 242, line 31, strike “\$166,547,101” and insert “\$166,672,101”.

Page 242, line 31, strike “\$166,547,101” and insert “\$166,672,101”.

Page 242, line 51, strike “\$1,800,571” and insert “\$1,925,571”.

Page 242, line 52, strike “\$1,800,571” and insert “\$1,925,571”.

Page 243, after line 29, insert:

“3. Of this appropriation, \$125,000 the first year and \$125,000 the second year from the general fund shall be paid to the Virginia Health Care Foundation to expand the Pharmacy Connection software program to unserved or underserved regions of the Commonwealth.”

Health And Human Resources			Item 314 #3c
Department Of Health	FY 04-05	FY 05-06	
	\$75,000	\$75,000	GF

Language:

Page 242, line 31, strike “\$166,547,101” and insert “\$166,622,101”.

Page 242, line 31, strike “\$166,547,101” and insert “\$166,622,101”.

Page 243, after line 29, insert:

“3. Out of this appropriation, \$75,000 the first year and \$75,000 the second year from the general fund shall be provided to the Virginia Health Care Foundation for the Rx Partnership to improve access to free medications for low-income Virginians.”

Health And Human Resources			Item 322 #1c
Department Of Medical Assistance Services			
			Language

Language:

Page 248, after line 17, insert:

“G. The Department of Medical Assistance Services shall report on the degree to which hospital emergency rooms are being used by Medicaid fee-for-service clients for non-emergency care, and identify actions that could be taken to limit inappropriate use of this treatment setting. In conducting its review, the Department shall: (i) assess recent trends in emergency room use by Medicaid fee-for-service enrollees; (ii) estimate the incidence of Medicaid clients using the emergency room for non-emergency care; (iii) identify effective actions taken by the organizations participating in the Department's managed care program as well as other state Medicaid programs to limit inappropriate use of the emergency room; (iv) consult with physicians and hospitals in assessing and developing programs that direct patients to primary care settings; and (v) recommend actions that can be taken to ensure emergency room usage by Medicaid fee-for-service clients is appropriate and medically necessary. The Department shall report its findings and recommendations to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees by November 1, 2004.”

Health And Human Resources			Item 322 #2c
Department Of Medical Assistance Services	FY 04-05	FY 05-06	
	\$300,000	\$0	GF
	\$300,000	\$0	NGF

Language:

Page 246, line 25, strike “\$75,013,771” and insert “\$75,613,771”.

Page 248, after line 17, insert:

“G. The Department of Medical Assistance Services shall have the authority to amend the Medallion II waiver to allow the Department to carve out dental services provided to children under the age of 21 from Medicaid managed care. In addition, the Department shall have the authority to amend the State Plans for Titles XIX (Medical Assistance) and XXI (Family Access to Medical Insurance Security) of the Social Security Act, as required by applicable statute and regulations to provide dental services to children enrolled in these programs on a fee-for-service basis. The Department of Medical Assistance Services shall have the authority to enact emergency regulations under § 2.2-4011 of the Administrative Process Act, to effect this provision. The Department of Medical

Assistance Services may consider outsourcing such dental services to children under age 21 to an administrative services program.”

Health And Human Resources			Item 322 #3c
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$150,000	\$100,000	GF
	\$150,000	\$100,000	NGF
	2.00	2.00	FTE

Language:

Page 246, line 25, strike “\$75,013,771” and insert “\$75,313,771”.

Page 246, line 25, strike “\$75,013,728” and insert “\$75,213,728”.

Page 248, after line 17, insert:

“G. Included in this appropriation is \$150,000 from the general fund and \$150,000 from nongeneral funds in the first year and \$100,000 from the general fund and \$100,000 from nongeneral funds in the second year for the Department of Medical Assistance Services (DMAS) to complete a baseline encounter data validation study to assess the accuracy, completeness, and quality of encounter data from contracted Medicaid and Family Access to Medical Insurance Services managed care plans and from the DMAS Medicaid Management Information System. The encounter data validation analysis may include an assessment of encounter data used for managed care plan rate-setting and risk-adjustment, the development of necessary revisions to the recently implemented DMAS Medicaid Management Information System, and feedback to the health plans in the form of Data Quality Improvement Plans.”

Health And Human Resources	Item 326 #1c
Department Of Medical Assistance Services	
	Language

Language:

Page 264, after line 47, insert:

“BBB. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance to set the rate for durable medical equipment at the Durable Medical Equipment Regional Carrier (DMERC) reimbursement level for those items that have a national Healthcare Common Procedure Coding System (HCPCS) code. Such amendments to the State Plan shall become effective within 280 days or less from the enactment of this act.”

Health And Human Resources	Item 326 #2c
Department Of Medical Assistance Services	
	Language

Language:

Page 263, strike lines 53 through 59 and insert:

“WW.1. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance to modify the reimbursement methodology used to reimburse for generic drug products. The new methodology shall reimburse for the product cost based on a Maximum Allowable Cost list to be established by the Department. Such amendments shall be effective within 280 days or less from the enactment of this act.

2. In developing the maximum allowable cost (MAC) reimbursement rate for generic pharmaceuticals, the Department shall: (i) publish the factors used to set state MAC rates, including the identity of the reference product used to set the MAC rate; the GCN number of the reference product; the factor by which the MAC rate exceeds the reference product price, which shall be not less than 110 percent of the lowest-published wholesale acquisition cost for products widely

available for purchase in the state, and included in national pricing compendia; and the identity and date of the published compendia used to determine the reference product and set the MAC rate; (ii) identify three different suppliers that are able to supply the product and from whom pharmacies are able to purchase sufficient quantities of the drug. The drugs considered must be listed as therapeutically and pharmaceutically equivalent in the FDA's most recent version of the "Orange Book"; (iii) identify that the use of a MAC rate is lower than the Federal Upper Limit (FUL) for the drug, or the development of a MAC rate that does not have a FUL will not result in the use of higher-cost innovator brand name or single source drugs in the Medicaid program; and (iv) distribute the list of state MAC rates to pharmacy providers in a timely manner prior to the implementation of MAC rates and subsequent modifications.

3. The Department shall: (i) review and update the list of MAC rates at least quarterly; (ii) implement and maintain a procedure to eliminate products from the list, or modify MAC rates, consistent with changes in the marketplace; and (iii) provide an administrative appeals procedure to allow a dispensing provider to contest a listed MAC rate.

4. The Department shall report on savings achieved through the implementation of MAC rates in the Medicaid pharmacy program to the Chairmen of the House Appropriations and Senate Finance Committees, and the Joint Commission on Health Care by January 1 of each year."

Page 264, strike line 1.

Health And Human Resources

Item 326 #3c

Department Of Medical Assistance Services

Language

Language:

Page 256, strike line 19 and insert "V."

Page 256, line 20, strike "Medicaid and Medicare Services" and insert:

"The Department of Medical Assistance Services shall discontinue efforts to seek approval".

Page 256, line 26, strike "As part of this initiative, the" and insert "The".

Page 256, line 28, strike "eliminate" and insert "restore".

Page 256, line 32, strike "implement these necessary", and insert:

"promulgate emergency regulations to implement this amendment within 280 days or less from the enactment of this act."

Page 256, strike lines 33 through 34.

Health And Human Resources

Item 326 #4c

Department Of Medical Assistance Services

Language

Language:

Page 263, line 39, strike ", terminate".

Page 263, line 41, after "Waiver", insert:

", provided that individuals eligible for the waivers do not lose necessary services".

Health And Human Resources

Item 326 #5c

Department Of Medical Assistance Services

Language

Language:

Page 264, after line 47, insert:

"BBB. The Department of Medical Assistance Services shall ensure that in the process of developing the Preferred Drug List, the Pharmacy and Therapeutics Committee considers the value of including those prescription medications which improve drug regimen compliance, reduce

medication errors, or decrease medication abuse through the use of medication delivery systems that include, but are not limited to, transdermal and injectable delivery systems.”

Health And Human Resources Item 326 #6c
Department Of Medical Assistance Services Language

Language:

Page 264, after line 47, insert:

“BBB. The Department of Medical Assistance Services, in cooperation with the Department of Social Services' Division of Child Support Enforcement, shall identify and initiate third party recovery actions where there is a medical support order requiring a noncustodial parent to contribute to the medical cost of a child who is enrolled in the Medicaid or Family Access to Medical Insurance Security (FAMIS) Programs.”

Health And Human Resources			Item 326 #7c
Department Of Medical Assistance Services	FY 04-05	FY 05-06	
	(\$500,000)	(\$500,000)	GF
	(\$500,000)	(\$500,000)	NGF

Language:

Page 250, line 37, strike “\$4,057,098,577” and insert “\$4,056,098,577”.

Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,427,632,619”.

Page 264, after line 47, insert:

“BBB. The Department of Medical Assistance Services shall have the authority to amend its State Plan for Medical Assistance to implement and/or increase cost sharing requirements for eligible recipients as determined necessary to meet the savings targets included in this Act, consistent with federal law concerning Medicaid cost-sharing and in a manner which limits administrative complexities as deemed appropriate by the Department. The Department shall have the authority to enact emergency regulations under § 2.2-4011 of the Administrative Process Act to effect this provision. The Department shall report on the implementation of this provision to the Chairmen of the Senate Finance and House Appropriations Committees by October 1, 2004.”

Health And Human Resources Item 326 #8c
Department Of Medical Assistance Services Language

Language:

Page 264, after line 47, insert:

“BBB. Effective June 30, 2006, the amount of federal financial participation for special education Medicaid and Family Access to Medical Insurance Security services for administrative and other services provided and billed for by school divisions that is retained by the Department of Medical Assistance Services will be no greater than the amount retained in fiscal year 2006.”

Health And Human Resources			Item 326 #9c
Department Of Medical Assistance Services	FY 04-05	FY 05-06	
	\$2,666,667	\$4,000,000	GF
	\$2,666,667	\$4,000,000	NGF

Language:

Page 250, line 37, strike “\$4,057,098,577” and insert “\$4,062,431,911”.

Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,436,632,619”.

Page 251, line 30, after “2.”, insert “a.”

Page 251, line 31, strike the first “133,071,896” and insert “135,738,563”.

Page 251, line 31, strike the second “133,071,896” and insert “135,738,563”.

Page 251, line 33, strike the first “140,338,679” and insert “144,338,679”.

Page 251, line 31, strike the second “140,338,679” and insert “144,338,679”.

Page 251, after line 45, insert:

“b. Of the amounts for the Mental Retardation Home- and Community-based Waiver Program included in paragraph 2.a., \$2,666,667 the first year and \$4,000,000 the second year from the general fund and \$2,666,667 the first year and \$4,000,000 the second year from nongeneral funds shall be provided for 160 new waiver slots for individuals currently residing in mental retardation training centers who have been determined to be ready for discharge and have chosen to be served in the community.”

Health And Human Resources

Item 326 #10c

Department Of Medical Assistance Services

Language

Language:

Page 255, line 31, strike “initial and ongoing” and insert “semi-annual”.

Page 264, after line 47, insert:

“BBB. Effective July 1, 2005, the Department of Medical Assistance Services shall amend the State Plan for Medical Assistance to include reimbursement for required tuition payments for children receiving Medicaid-eligible residential services, provided such educational services are part of the treatment plan. The Department, in cooperation with the Office of Comprehensive Services, shall report by January 1, 2005, on the regulatory changes necessary to effect the inclusion of these new services under Medicaid and the related fiscal savings to the Comprehensive Service Act for At-risk Children and Youth program.”

Health And Human Resources

Item 326 #11c

Department Of Medical Assistance
Services

FY 04-05

FY 05-06

\$750,000

\$750,000

GF

\$750,000

\$750,000

NGF

Language:

Page 250, line 37, strike “\$4,057,098,577” and insert “\$4,058,598,577”.

Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,430,132,619”.

Page 264, after line 47, insert:

“BBB. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance governing Medicaid reimbursements for hospitals to provide enhanced reimbursements to provide an increase in Indirect Medical Education payments for non-state owned hospitals with base year 2002 Medicaid Neonatal Intensive Care Unit (NICU) utilization greater than 50 percent, as reported to the Department as of March 1, 2004. Out of this appropriation, \$750,000 from the general fund and \$750,000 from nongeneral funds the first year and \$750,000 from the general fund and \$750,000 from nongeneral funds the second year shall be provided for this purpose. Such amendments to the State Plan shall become effective within 280 days or less from the enactment of this act.”

Health And Human Resources

Item 326 #12c

Department Of Medical Assistance
Services

FY 04-05

FY 05-06

\$500,000

\$4,700,000

GF

\$500,000

\$4,700,000

NGF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,058,098,577".

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,438,032,619".

Page 264, after line 47, insert:

"BBB. Out of this appropriation, \$500,000 from the general fund and \$500,000 from nongeneral funds the first year and \$4,700,000 from the general fund and \$4,700,000 from nongeneral funds the second year shall be used to increase the rates paid for the community-based Medicaid mental retardation waiver program."

Health And Human Resources			Item 326 #13c
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$1,133,333	\$1,700,000	GF
	\$1,133,333	\$1,700,000	NGF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,059,365,243".

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,432,032,619".

Page 264, line 35, strike "\$344,756" and insert "\$1,478,089".

Page 264, line 35, strike "\$459,675" and insert "\$2,159,675".

Page 264, line 36, strike "\$344,756" and insert "\$1,478,089".

Page 264, line 37, strike "\$459,675" and insert "\$2,159,675".

Page 264, line 39, strike "is" and insert "."

Page 264, delete lines 40 through 43.

Health And Human Resources			Item 326 #14c
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$2,500,000	\$0	GF
	\$2,500,000	\$0	NGF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,062,098,577".

Page 258, line 59, strike "\$18,000,000" and insert "\$15,500,000".

Page 258, line 60, before "from", insert:

"the first year and \$18,000,000 the second year."

Page 258, line 60, strike "in each fiscal year."

Page 259, after line 12, insert:

"7. If the Department of Medical Assistance Services does not exempt antidepressants and antianxiety medications used for the treatment of mental illness from the Medicaid Preferred Drug List (PDL) program, it should defer inclusion of such drug classes from the PDL until July 1, 2005. Prior to including these drug classes in the PDL Program, the Department shall provide a plan for inclusion, which stipulates mechanisms to minimize adverse impacts on consumers, to ensure appropriate provider education that will promote effective prescribing practices that are medically indicated, and to ensure that inclusion is evidence-based, clinically efficacious and cost-effective. The Department shall report the plan to the Governor and Chairman of the House Appropriations and Senate Finance Committees and the Joint Commission on Health Care by January 1, 2005."

Health And Human Resources			Item 326 #15c
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$13,500,000	\$18,200,000	GF
	\$13,500,000	\$18,200,000	NGF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,084,098,577".

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,465,032,619".

Page 251, line 30, after "2.", insert "a."

Page 251, line 31, strike the first "133,071,896" and insert "146,571,896".

Page 251, line 31, strike the second "133,071,896" and insert "146,571,896".

Page 251, line 33, strike the first "140,338,679" and insert "158,538,679".

Page 251, line 31, strike the second "140,338,679" and insert "158,538,679".

Page 251, after line 45, insert:

"b. Of the amounts for the Mental Retardation Home- and Community-based Waiver Program included in paragraph 2.a., \$13,500,000 the first year and \$18,200,000 the second year from the general fund and \$13,500,000 the first year and \$18,200,000 the second year from nongeneral funds shall be provided to add 700 new waiver slots by the end of the 2004-06 biennium for individuals living in the community. Any unexpended appropriations for this purpose shall be carried forward for use in the following fiscal year.

c. By July 1, 2005, the Department of Medical Assistance Services, in consultation with the Department of Mental Health, Mental Retardation, and Substance Abuse Services and Community Services Boards, shall determine whether sufficient capacity exists to expand the Mental Retardation (MR) Waiver Program to 880 slots in fiscal year 2006. In the event the agencies determine that insufficient capacity exists to absorb the additional 180 MR waiver slots, the Department shall develop a plan to meet the needs of 180 new individuals."

Health And Human Resources			Item 326 #16c
Department Of Medical Assistance Services	FY 04-05	FY 05-06	
	\$140,302	\$148,719	GF
	\$140,302	\$148,719	NGF

Language:

Page 250, line 37, strike "\$4,057,098,577" and insert "\$4,057,379,181".

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,428,930,057".

Page 264, after line 47, insert:

"BBB. The Department of Medical Assistance Services shall have the authority to amend the State Plan for Medical Assistance to increase reimbursements to physicians delivering services to recipients in hospital emergency rooms effective July 1, 2004. Out of this appropriation, the expenditure of \$140,302 the first year and \$148,719 the second year from the general fund and \$140,302 the first year and \$148,719 the second year from nongeneral funds shall be used to increase reimbursements by two percent above the fiscal year 2004 level. Such amendments to the State Plan shall become effective within 280 days or less from the enactment of this act."

Health And Human Resources			Item 326 #17c
Department Of Medical Assistance Services	FY 04-05	FY 05-06	
	\$0	\$3,000,000	GF
	\$0	\$3,000,000	NGF

Language:

Page 250, line 37, strike "\$4,428,632,619" and insert "\$4,434,632,619".

Page 264, after line 47, insert:

“BBB. Out of this appropriation, \$3,000,000 from the general fund and \$3,000,000 from nongeneral funds the second year shall be used to increase personal care reimbursement rates provided under community-based Medicaid waiver programs by five percent.”

Health And Human Resources			Item 326 #18c
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$37,000,000	(\$54,800,000)	GF
	(\$37,000,000)	\$54,800,000	NGF

Language:

Page 264, line 46, strike “\$310,700,000” and insert “\$273,700,000”.

Page 264, line 46, strike “\$276,300,000” and insert “\$331,100,000”.

Health And Human Resources			Item 326 #19c
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$0	\$2,918,700	GF
	\$0	\$2,918,700	NGF

Language:

Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,434,470,019”.

Page 264, after line 47, insert:

“BBB. Out of this appropriation, \$2,918,700 from the general fund and \$2,918,700 from nongeneral funds the second year shall be provided for 300 slots for a 1915(c) Medicaid waiver for day support services. Contingent upon approval by the Centers for Medicare and Medicaid Services (CMS), the Department of Medical Assistance Services (DMAS) is directed to develop such waiver in coordination with the Department of Mental Health, Mental Retardation, and Substance Abuse Services, and affected constituents. The Department shall have the authority to enact emergency regulations under § 2.2-4011 of the Administrative Process Act to effect this provision.”

Health And Human Resources			Item 326 #20c
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$0	\$991,219	GF
	\$0	\$991,219	NGF

Language:

Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,430,615,057”.

Health And Human Resources			Item 326 #21c
Department Of Medical Assistance	FY 04-05	FY 05-06	
Services	\$0	\$869,249	GF
	\$0	\$869,249	NGF

Language:

Page 250, line 37, strike “\$4,428,632,619” and insert “\$4,430,371,117”.

Page 264, after line 47, insert:

“BBB. The Department of Medical Assistance Services shall amend the State Plan for Medical Assistance to increase the dispensing fee paid to pharmacists for generic drug products from \$3.75 to \$4.00 per prescription per month. Such amendments to the State Plan shall become effective within 280 days or less from the enactment of this act.”

Health And Human Resources			Item 326 #22c
Department Of Medical Assistance Services			

Language

Language:

Page 264, after line 47, insert:

“BBB. In developing a long-term disease state management program, the Department of Medical Assistance Services shall consider including initiatives which positively impact health care costs in children and adults with asthma and other chronic diseases.”

Health And Human Resources

Item 326 #23c

Department Of Medical Assistance Services

Language

Language:

Page 264, line 7, strike “the expenditure of”.

Page 264, line 9, strike “for the adjustment” and insert:

“is provided for this purpose.”

Page 264, strike lines 10 through 13.

Health And Human Resources

Item 326 #24c

Department Of Medical Assistance Services

Language

Language:

Page 264, line 27, strike “the expenditure of”.

Page 264, line 29, after “funds”, insert “is provided”.

Page 264, line 30, strike “is contingent up the passage into law” and insert “.”

Page 264, strike lines 31 through 33.

Health And Human Resources

Item 330 #1c

Department Of Mental Health, Mental Retardation And Substance Abuse Services

Language

Language:

Page 268, after line 50, insert:

“L. The Department of Mental Health, Mental Retardation and Substance Abuse Services, in cooperation with the Department of Criminal Justice Services, shall incorporate information about programs that divert individuals with mental illness, substance abuse and co-occurring disorders from jail or secure detention in the Department’s web-based Internet site that is currently under development.”

Health And Human Resources

Item 330 #2c

Department Of Mental Health, Mental Retardation And Substance Abuse Services

Language

Language:

Page 268, after line 50, insert:

“L. Beginning October 1, 2005, the Commissioner of the Department of Mental Health, Mental Retardation, and Substance Abuse Services shall annually submit a report to the Chairmen of the Senate Finance and House Appropriations Committees regarding Community Service Board contracts with private service providers, to include contract amounts paid to each private provider,

number of patients served, term of inpatient treatment, any savings realized by community-based treatment, and any fiscal impact on state hospitals.”

Health And Human Resources Item 330 #3c
Department Of Mental Health, Mental Retardation And Substance Abuse Services Language

Language:
Page 268, strike lines 31 through 50.

Health And Human Resources Item 330 #4c
Department Of Mental Health, Mental Retardation And Substance Abuse Services Language

Language:
Page 268, after line 50, insert:
“L. In the event the Department of Mental Health, Mental Retardation, and Substance Abuse Services pursues the utilization of a Preferred Drug List, the Commissioner shall ensure the consideration of the value of including those prescription medications which improve drug regimen compliance, reduce medication errors, or decrease medication abuse through the use of medication delivery systems that include, but are not limited to, transdermal and injectable delivery systems.”

Health And Human Resources			Item 330 #5c
Department Of Mental Health, Mental Retardation And Substance Abuse Services	FY 04-05	FY 05-06	
	\$0	(\$209,000)	GF

Language:
Page 266, line 18, strike “\$18,107,290” and insert “\$17,898,290”.

Health And Human Resources			Item 330 #6c
Department Of Mental Health, Mental Retardation And Substance Abuse Services	FY 04-05	FY 05-06	
	\$100,000	\$100,000	GF
	2.00	2.00	FTE

Language:
Page 266, line 18, strike “\$18,433,014” and insert “\$18,533,014”.
Page 266, line 18, strike “\$18,107,290” and insert “\$18,207,290”.

Health And Human Resources Item 330 #7c
Department Of Mental Health, Mental Retardation And Substance Abuse Services Language

Language:
Page 268, after line 50, insert:
“L. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall consider the feasibility of entering into a public-private partnership or contract with a vendor for the operation of clinical treatment services for the sexually violent predator program. If the Department determines that a public-private partnership or contract is feasible and cost-effective, selection criteria shall be developed by the Department. Such criteria may include a requirement that the vendor have ongoing experience operating sexually violent predator programs in other states. Such public-private partnership or contract, if entered into by the Department, shall enable the

Department to contract for perimeter security, medical services, transportation, and dietary services for the program from other state agencies and facilities.”

Health And Human Resources			Item 332 #1c
Department Of Mental Health, Mental Retardation And Substance Abuse Services	FY 04-05 (\$2,666,667)	FY 05-06 (\$4,000,000)	GF

Language:

Page 269, line 5, strike “\$24,269,206” and insert “\$21,602,539”.

Page 269, line 5, strike “\$27,608,206” and insert “\$23,608,206”.

Page 269, strike lines 26 through 33.

Page 269, line 34, strike “D” and insert “C”.

Page 269, line 41, strike “E” and insert “D”.

Health And Human Resources		Item 332 #2c
Department Of Mental Health, Mental Retardation And Substance Abuse Services		Language

Language:

Page 269, line 36, after “fund” insert “is”

Page 269, line 37, strike “is contingent upon the” and insert “.”

Page 269, strike lines 38 through 40.

Health And Human Resources		Item 332 #3c
Department Of Mental Health, Mental Retardation And Substance Abuse Services		Language

Language:

Page 269, line 43, after “fund” insert “is”.

Page 269, line 44, strike “is” and insert “.”

Page 269, strike lines 45 through 48.

Health And Human Resources		Item 334 #1c
Grants To Localities		Language

Language:

Page 272, line 11, strike the first “4,125,000” and insert “6,125,000”.

Page 272, line 11, strike the second “4,125,000” and insert “6,125,000”.

Page 272, strike lines 27 through 35.

Page 272, line 36, strike “P” and insert “O”.

Health And Human Resources		Item 334 #2c
Grants To Localities		Language

Language:

Page 272, line 38, after “fund”, insert “is”.

Page 272, line 40, after “(PACT)”, strike the remainder of the line and insert “.”

Page 272, strike lines 41 through 43.

Health And Human Resources			Item 334 #3c
Grants To Localities	FY 04-05	FY 05-06	
	\$750,000	\$750,000	GF

Language:

Page 270, line 14, strike "\$227,576,495" and insert "\$228,326,495".

Page 270, line 14, strike "\$228,232,745" and insert "\$228,982,745".

Page 271, strike lines 36 through 55 and insert:

"K.1. Out of this appropriation, \$875,000 in the first year and \$875,000 the second year from the general fund is provided for Virginia's Part C Early Intervention System for infants and toddlers with disabilities.

2. The Department shall amend its fiscal year 2006 contracts with the Part C Local Interagency Coordinating Council (LICC) fiscal agents to require additional reporting on (a) total revenues used to support Part C services, (b) total expenses for all Part C services, (c) total numbers of infants and toddlers and families served using all Part C revenues, and (d) services provided to those infants and toddlers and families.

3. Beginning October 1, 2005 the Department shall annually report this information to the Chairmen of the House Appropriations and Senate Finance Committees."

Health And Human Resources			Item 346 #1c
Virginia Center For Behavioral Rehabilitation	FY 04-05	FY 05-06	
	\$0	(\$1,991,000)	GF
	0.00	-41.00	FTE

Language:

Page 276, line 4, strike "\$6,791,432" and insert "\$4,800,432".

Health And Human Resources			Item 349 #1c
Department Of Rehabilitative Services	FY 04-05	FY 05-06	
	\$160,000	\$160,000	GF

Language:

Page 276, line 37, strike "\$83,939,471" and insert "\$84,099,471".

Page 276, line 37, strike "\$83,939,471" and insert "\$84,099,471".

Page 277, line 15, strike "\$3,611,786" and insert "\$3,914,538".

Page 277, line 16, strike "\$3,754,538" and insert "\$3,914,538".

Health And Human Resources			Item 349 #2c
Department Of Rehabilitative Services	FY 04-05	FY 05-06	
	\$750,000	\$1,000,000	GF

Language:

Page 276, line 37, strike "\$83,939,471" and insert "\$84,689,471".

Page 276, line 37, strike "\$83,939,471" and insert "\$84,939,471".

Page 277, line 23, after "D." insert "1."

Page 277, line 24, strike "\$1,119,926" and insert "\$2,013,638".

Page 277, line 24, strike "\$1,263,638" and insert "\$2,263,638".

Page 277, after line 27, insert:

"2. Of this amount, \$750,000 the first year and \$1,000,000 the second year from the general fund shall be used to provide a continuum of brain injury services to individuals in unserved or

underserved regions of the Commonwealth. Up to \$150,000 each year shall be awarded to successful program applicants. Programs currently receiving more than \$250,000 from the general fund each year are ineligible for additional assistance under this section. To be determined eligible for a grant under this section, program applicants shall submit plans to pursue non-state resources to complement the provision of general fund support.

3. Beginning August 1, 2005, the Department of Rehabilitative Services (DRS) shall submit an annual report to the Chairmen of the Senate Finance and House Appropriations Committees documenting the number of individuals served, services provided, and success in attracting non-state resources.”

Health And Human Resources Item 349 #3c
 Department Of Rehabilitative Services

Language

Language:

Page 277, after line 43, insert:

“H.1. For Commonwealth Neurotrauma Initiative Trust Fund grants awarded after July 1, 2004, the Commissioner shall require applicants to submit a plan to achieve self-sufficiency by the end of the grant award cycle in order to receive funding consideration.

2. Notwithstanding any other law to the contrary, the Commissioner may reallocate up to \$500,000 from unexpended balances in the Commonwealth Neurotrauma Initiative Trust Fund to fund new grant awards for research on traumatic brain and spinal cord injuries.”

Health And Human Resources Item 349 #4c
 Department Of Rehabilitative Services

	FY 04-05	FY 05-06	
	\$150,000	\$150,000	GF

Language:

Page 276, line 37, strike “\$83,939,471” and insert “\$84,089,471”.

Page 276, line 37, strike “\$83,939,471” and insert “\$84,089,471”.

Page 277, line 3, strike “\$3,385,210” and insert “\$3,826,210”.

Page 277, line 4, strike “\$3,676,210” and insert “\$3,826,210”.

Page 277, line 5, strike “sheltered workshop” and insert:

“community rehabilitation program”.

Health And Human Resources Item 350 #1c
 Department Of Rehabilitative Services

Language

Language:

Page 277, after line 49, insert:

“The Department of Rehabilitative Services, in cooperation with the Department of Social Services and local social services agencies, shall develop an expedited process for transitioning disabled persons in hospitals to rehabilitation facilities. As part of this expedited process, the Department of Rehabilitative Services shall make Medicaid disability determinations within seven business days of the receipt of referrals from local departments of social services.”

Health And Human Resources Item 354 #1c
 Department Of Social Services

Language

Language:

Page 281, after line 16, insert:

“I.1. The Commissioner of Social Services, in consultation with the Virginia League of Social Services Executives and local departments of social services, shall develop a plan to implement and finance federally required foster care services improvements in localities through a Child and Family Services Review Performance Improvement Plan.

2. The initial plan and subsequent status reports on its implementation shall be reported to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by January 1 of each year.”

Health And Human Resources

Item 354 #2c

Department Of Social Services

Language

Language:

Page 281, after line 16, insert:

“I. The Department of Social Services shall develop a multi-lingual outreach campaign to inform qualified aliens and their children, who are United States citizens, of their eligibility for federal food stamps and ensure that they have access to benefits under the food stamp program. To the extent permitted by federal law, the Department shall administer the food stamp program in a way that minimizes the procedural burden on qualified aliens and addresses concerns about the impact of food stamp receipt on their immigration sponsors and status.”

Health And Human Resources

Item 354 #3c

Department Of Social Services

Language

Language:

Page 281, after line 16, insert:

“I. The Department of Social Services shall implement the guidance issued by the U.S. Department of Health and Human Services concerning the obligation of recipients of federal financial assistance to comply with Title VI of the Civil Rights Act of 1964 by ensuring that meaningful access to federally-funded programs, activities and services administered by the Department is provided to limited English proficient (LEP) persons, 63 Fed. Reg. 47,311-47,323 (August 8, 2003). At a minimum, the Department shall (i) identify the need for language assistance by analyzing the following factors: (1) the number or proportion of LEP persons in the eligible service population, (2) the frequency of contact with such persons, (3) the nature and importance of the program, activity or service, and (4) the costs of providing language assistance and resources available; (ii) translate vital documents into the language of each frequently encountered LEP group eligible to be served; (iii) provide accurate and timely oral interpreter services; and (iv) develop an effective implementation plan to address the identified needs of the LEP populations served.”

Health And Human Resources

Item 354 #4c

Department Of Social Services

FY 04-05

FY 05-06

\$50,000

\$50,000

GF

Language:

Page 279, line 10, strike “\$46,868,606” and insert “\$46,918,606”.

Page 279, line 10, strike “\$46,873,490” and insert “\$46,923,490”.

Page 281, line 14, strike “\$100,000” and insert, “\$150,000”.

Page 281, line 15, strike "\$100,000" and insert, "\$150,000".

Health And Human Resources			Item 355 #1c
Department Of Social Services	FY 04-05	FY 05-06	
	\$500,000	\$500,000	GF

Language:

Page 281, line 18, strike "\$49,487,126" and insert "\$49,987,126".

Page 281, line 18, strike "\$47,445,246" and insert "\$47,945,246".

Health And Human Resources			Item 356 #1c
Department Of Social Services			
			Language

Language:

Page 284, after line 4, insert:

"I. Out of this appropriation, \$4,910,128 the first year and \$4,910,128 the second year from the federal Temporary Assistance to Needy Families (TANF) grant shall be transferred to the Department of Housing and Community Development for a continuum of housing services for low-income families."

Health And Human Resources			Item 356 #2c
Department Of Social Services			
			Language

Language:

Page 283, strike lines 43 through 59.

Page 284, strike lines 1 through 4.

Health And Human Resources			Item 356 #3c
Department Of Social Services	FY 04-05	FY 05-06	
	\$10,349,238	\$10,349,238	GF
	(\$10,349,238)	(\$10,349,238)	NGF

Language:

Health And Human Resources			Item 356 #4c
Department Of Social Services			
			Language

Language:

Page 283, line 8, strike "3,900,000" and insert "7,800,000".

Health And Human Resources			Item 356 #5c
Department Of Social Services			
			Language

Language:

Page 288, after line 3, insert:

"D. Out of this appropriation, the Department of Social Services shall allocate a total of \$3,397,859 each year from the federal Temporary Assistance to Needy Families (TANF) block grant for community action agencies to promote self-sufficiency. This amount includes funding described in

Item 355 A.2., which provides \$250,000 each year from the TANF grant for community action services in selected jurisdictions.”

Health And Human Resources Item 356 #6c
Department Of Social Services Language

Language:

Page 284, after line 4, insert:

“I. No less than 30 days prior to submitting amendments to the federal government on the State Plan for the Temporary Assistance for Needy Families Program, the Commissioner of the Department of Social Services shall provide the Chairmen of the House Appropriations and Senate Finance Committees with written documentation of the proposed policy changes, including an estimate of the fiscal impact of the proposed changes and information summarizing public comment that was received on the proposed changes.”

Health And Human Resources Item 357 #1c
Department Of Social Services FY 04-05 FY 05-06
(\$259,980) (\$259,980) GF

Language:

Page 284, line 5, strike “\$152,196,355” and insert “\$151,936,375”.

Page 284, line 5, strike “\$163,637,335” and insert “\$163,377,355”.

Page 285, line 18, strike “584,980” and insert “325,000”.

Page 285, line 21, strike “584,980” and insert “325,000”.

Health And Human Resources Item 357 #2c
Department Of Social Services FY 04-05 FY 05-06
(\$10,349,238) (\$10,349,238) GF

Language:

Page 284, line 5, strike “\$152,196,355” and insert “\$141,847,117”.

Page 284, line 5, strike “\$163,637,335” and insert “\$153,288,097”.

Health And Human Resources Item 357 #3c
Department Of Social Services Language

Language:

Page 285, after line 35, insert:

“J. From the federal Temporary Assistance to Needy Families block grant, \$50,000 each year shall be transferred to the Bristol-Washington County Children's Advocacy Center for services to TANF-eligible populations.”

Health And Human Resources Item 357 #4c
Department Of Social Services Language

Language:

Page 285, after line 35, insert:

“J. From the federal Temporary Assistance to Needy Families block grant, \$50,000 each year shall be transferred to the Lenowisco Planning District Children’s Advocacy Center for services to TANF-eligible populations.”

Health And Human Resources			Item 357 #5c
Department Of Social Services	FY 04-05	FY 05-06	
	\$25,000	\$25,000	GF
	\$25,000	\$25,000	NGF

Language:

Page 284, line 5, strike “\$152,196,355” and insert “\$152,246,355”.

Page 284, line 5, strike “\$163,637,335” and insert “\$163,687,335”.

Health And Human Resources			Item 359 #1c
Department Of Social Services	FY 04-05	FY 05-06	
	\$0	\$2,190,720	GF

Language:

Page 286, line 22, strike “\$20,098,755” and insert “\$22,289,475”.

Page 286, line 33, strike “\$866” and insert “\$894”.

Health And Human Resources			Item 360 #1c
Department Of Social Services			
			Language

Language:

Page 288, after line 3, insert:

“D. The Department of Social Services, in conjunction with the Department of Correctional Education, shall identify and apply for federal, private and faith-based grants for pre-release parenting programs for non-custodial incarcerated parent offenders committed to the Department of Corrections, including but not limited to the following grant programs: Promoting Responsible Fatherhood and Healthy Marriages, State Child Access and Visitation Block Grant, Serious and Violent Offender Reentry Initiative Collaboration, Special Improvement Projects, §1115 Social Security Demonstration Grants, and any new grant programs authorized under the federal Temporary Assistance for Needy Families (TANF) block grant program.”

Health And Human Resources			Item 360 #2c
Department Of Social Services			
			Language

Language:

Page 288, after line 3, insert:

“D. Out of this appropriation, the Department of Social Services shall allocate \$2,295,000 each year from the federal Temporary Assistance to Needy Families (TANF) block grant for employment and training and other services for hard-to-serve recipients to promote self-sufficiency.”

Health And Human Resources			Item 360 #3c
Department Of Social Services			
			Language

Language:

Page 288, after line 3, insert:

“D. Out of this appropriation, the Department of Social Services shall allocate \$637,500 each year from the federal Temporary Assistance to Needy Families (TANF) block grant for employment and training services through the Centers for Employment and Training.”

Health And Human Resources			Item 360 #4c
Department Of Social Services	FY 04-05	FY 05-06	
	\$10,349,238	\$10,349,238	NGF

Language:

Page 287, line 5, strike “\$69,122,484” and insert “\$79,471,722”.

Page 287, line 5, strike “\$68,122,484” and insert “\$78,471,722”.

Health And Human Resources			Item 361 #1c
Department Of Social Services			

Language

Language:

Page 288, after line 51, insert:

“E. The Division of Child Support Enforcement, in cooperation with the Department of Medical Assistance Services, shall identify cases for which there is a medical support order requiring a noncustodial parent to contribute to the medical cost of caring for a child who is enrolled in the Medicaid or Family Access to Medical Insurance Security (FAMIS) Programs. Once identified, the Division shall work with the Department of Medical Assistance Services to take appropriate enforcement actions to obtain medical support or repayments for the Medicaid program.”

Health And Human Resources			Item 362 #1c
Department Of Social Services			

Language

Language:

Page 291, line 5, after “fund”, insert:

“and \$1,062,500 from the federal TANF grant”.

Page 291, line 6, after “fund”, insert:

“and \$1,062,500 from the federal TANF grant”.

Health And Human Resources			Item 362 #2c
Department Of Social Services			

Language

Language:

Page 291, after line 20, insert:

“O. Out of this appropriation, \$9,300,000 each year from the federal Temporary Assistance to Needy Families (TANF) block grant shall be allocated for foster care and adoption workers in local Department of Social Services offices.”

Health And Human Resources			Item 362 #3c
Department Of Social Services	FY 04-05	FY 05-06	
	\$1,000,000	\$1,000,000	GF
	\$1,000,000	\$1,000,000	NGF

Language:

Page 288, line 53, strike “\$306,249,218” and insert “\$308,249,218”.

Page 288, line 53, strike “\$306,249,218” and insert “\$308,249,218”.

Page 289, line 21, strike "\$60,646,189" and insert:
 "\$11,540,911 from the general fund and \$51,015,773".
 Page 289, line 22, strike "\$1,436,375" and insert "\$11,540,911".
 Page 289, line 22, strike "\$59,209,814" and insert "\$51,015,773".

Health And Human Resources			Item 362 #4c
Department Of Social Services	FY 04-05	FY 05-06	
	\$108,422	\$108,422	GF

Language:
 Page 288, line 53, strike "\$306,249,218" and insert "\$306,357,640".
 Page 288, line 53, strike "\$306,249,218" and insert "\$306,357,640".
 Page 290, line 57, strike "\$541,578" and insert "\$650,000."
 Page 291, line 1, strike "\$541,578" and insert "\$650,000".
 Page 291, line 2, after "violence" insert:
 "pursuant to Chapter 375 of the Acts of the Assembly of 2004".

Health And Human Resources			Item 362 #5c
Department Of Social Services	FY 04-05	FY 05-06	
	(\$150,000)	(\$150,000)	NGF

Language:
 Page 288, line 53, strike "\$306,249,218" and insert "\$306,099,218".
 Page 288, line 53, strike "\$306,249,218" and insert "\$306,099,218".
 Page 291, line 12, strike "500,000" and insert "350,000".
 Page 291, line 13, strike "500,000" and insert "350,000".

Health And Human Resources			Item 363 #1c
Department Of Social Services			
			Language

Language:
 Page 292, after line 12, insert:
 "F. Out of this appropriation, \$70,000 the first year and \$70,000 the second year from the general fund is provided for dementia-specific training of long-term care workers dealing with Alzheimer's disease and related disorders through the Virginia Alzheimer's Association Chapters."

Health And Human Resources			Item 365 #1c
Department Of Social Services			
			Language

Language:
 Page 292, line 49, strike "4,838,528" and insert "1,981,018".
 Page 292, line 50, strike "12,887" and insert "1,197,866".
 Page 292, line 51, strike "18,500,000" and insert "1,500,000".
 Page 292, line 53, strike "18,500,000" and insert "1,500,000".

Natural Resources			Item 378 #1c
Secretary Of Natural Resources			
			Language

Language:
 Page 297, line 8, before "The", insert "A."

Page 297, after line 25, insert:

“B.1. It is the intent of the General Assembly that an additional \$30,000,000 from the general fund be deposited into the Virginia Water Quality Improvement Fund, as specified in Items 382 and 388 of this Act, and shall be used solely for the purposes established by the General Assembly within Items 382 and 388 of this Act and the purposes delineated within the Virginia Water Quality Improvement Act of 1997 (§ 10.1-2117 et seq., Code of Virginia). In no instance, however, shall the proceeds of the Virginia Water Quality Improvement Fund be used for agency operating expenses or to either replace or reduce any general fund or nongeneral fund allocation or appropriation to any state agency.

B.2. It is the intent of the General Assembly that a reserve be created within the Virginia Water Quality Improvement Fund to support the purposes delineated within the Virginia Water Quality Improvement Act of 1997 (WQIA 1997) when year-end general fund surpluses are unavailable. Consequently, 15 percent of any amounts appropriated to the Virginia Water Quality Improvement Fund due to annual general fund revenue collections in excess of the official estimates contained in the general appropriation act shall be withheld from appropriation. When annual general fund revenue collections do not exceed the official revenue estimates contained in the general appropriation act, or when there are no additional annual appropriations provided by the General Assembly, the reserve fund shall be used for WQIA 1997 purposes as directed by the General Assembly within the general appropriation act.”

Natural Resources			Item 379 #1c
Chesapeake Bay Local Assistance	FY 04-05	FY 05-06	
Department	(\$1,449,221)	(\$1,451,098)	GF
	-20.00	-20.00	FTE

Language:

Page 297, line 31, strike “\$1,449,221” and insert “\$0”.

Page 297, line 31, strike “\$1,451,098” and insert “\$0”.

Page 297, strike lines 31 thru 47.

Page 298, strike lines 1 thru 3.

Page 297, after line 30, insert:

“Notwithstanding Title 10.1, Chapter 21, Code of Virginia, the Chesapeake Bay Local Assistance Department will be merged with the Department of Conservation and Recreation effective July 1, 2004. The powers and duties heretofore exercised by such agency shall hereafter be vested in the Department of Conservation and Recreation. The Chesapeake Bay Local Assistance Board shall remain a collegial body pursuant to Title 10.1, Chapter 21, Code of Virginia.”

Natural Resources	Item 381 #1c
Department Of Conservation And Recreation	Language

Language:

Page 299, after line 57, insert:

“1.1. The Department shall conduct, or contract for, a marketing study of State Park user fees, including, but not limited to, the fees charged for cabin rental, campground use, parking and boat launch use. The study shall identify the factors determining demand for state park services, including demographics, locations, times of the year and other variables.

2. Based on the findings of the study, the Department shall (1) establish marketing goals for its facilities and existing services, (2) identify new recreational products with the potential to increase nongeneral fund park revenue and increase the exposure of Virginians to the park system, and (3) to the extent that it is practical, revise its fee schedule to maximize the revenue available to the Conservation Resources Fund while maintaining adequate public access to the parks.

3. The study shall include a review of the potential for extraordinary pricing opportunities associated with particular facilities, locations, times of the year, or unique nature and recreational experiences, including package opportunities not currently included in the Department's fee schedule. To the extent possible, the Department shall make use of marketing departments at Virginia universities or other pro bono services in producing the study. Copies of a final report from the review, the marketing goals, new product ideas, and potential fee increase options shall be delivered to the Chairmen of the House Appropriations and Senate Finance Committees by November 30, 2004."

Natural Resources			Item 382 #1c
Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$125,000	\$125,000	GF

Language:

Page 298, line 25, strike "\$22,738,678" and insert "\$22,863,678".

Page 298, line 25, strike "\$20,977,511" and insert "\$21,102,511".

Page 299, after line 57, insert:

"I. In conjunction with other reporting requirements included in this item, the Soil and Water Conservation Board shall prepare annual statistics, by District, that include the number of farmers, the number of acres in farms and in agricultural production (by product type), the number of farmers participating in District programs by program, the number of acres by product under each type of agricultural best management practice, the budgeted and expended funds for each agricultural best management practice, and other information needed by the Department of Conservation and Recreation to evaluate the quantitative impact of Soil and Water Conservation District practices and funding on Virginia's water quality and land conservation goals. This information shall be provided to the Director of the Department of Conservation and Recreation in a timely manner for the Department to complete its annual reporting requirements under this item."

Natural Resources			Item 382 #2c
Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$150,000	\$0	GF

Language:

Page 298, line 25, strike "\$22,738,678" and insert "\$22,888,678".

Page 298, line 45, strike "\$50,000" and insert "\$200,000".

Natural Resources			Item 382 #3c
Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$1,400,121	\$1,212,684	GF
	17.00	17.00	FTE

Language:

Page 298, line 25, strike "\$22,738,678" and insert "\$24,138,799".

Page 298, line 25, strike "\$20,977,511" and insert "\$22,190,195".

Page 299, after line 57, insert:

"I.1. Out of the amounts for Land Management, \$1,400,121 the first year and \$1,212,684 the second year is appropriated from the general fund to effect the consolidation of the Chesapeake Bay Local Assistance Department and the Department of Conservation and Recreation. The Department of Conservation and Recreation shall continue to use these resources, including the former agency's staff, to provide technical and financial assistance to localities pursuant to the Chesapeake Bay Preservation Act (§ 10.1-2100, et seq., Code of Virginia). The Chesapeake Bay Local Assistance Board shall be continued as a collegial body.

2.a. The Secretary of Natural Resources shall prepare an agency reorganization plan for submission to the Chairmen of the House Appropriations and Senate Finance Committees by August 31, 2004. In developing this plan, the Secretary shall consult with Tidewater localities and Tidewater Soil and Water Conservation Districts.

2.b. The plan submitted by the Secretary of Natural Resources shall include any necessary steps to ensure that the purposes of the Chesapeake Bay Preservation Act are implemented by DCR, indicate whether former CBLAD resources and personnel will constitute a new division within DCR or a component of an existing division, and identify any positions that will be eliminated or other actions needed to achieve the policy goals and cost savings.

3. It is the intent of the General Assembly that legislation be introduced in the 2005 Session to effect this merger. This legislation shall ensure that the core operations of the Chesapeake Bay Local Assistance Department and Chesapeake Bay Local Assistance Board shall continue.

J.1. The amounts provided to localities and planning district commissions for financial assistance in implementing the Chesapeake Bay Preservation Act shall be distributed on a competitive basis. Consideration shall be given to the availability of local resources, with more funding provided to localities with the greatest needs and where the greatest water quality benefits can be achieved.

2. Of the amounts in the Land Management program, the Department may expend a portion of its general fund appropriation for a water quality monitoring project in Caroline County.”

Natural Resources			Item 382 #4c
Department Of Conservation And Recreation	FY 04-05 \$7,500,000	FY 05-06 \$7,500,000	GF

Language:

Page 298, line 25, strike “\$22,738,678” and insert “\$30,238,678”.

Page 298, line 25, strike “\$20,977,511” and insert “\$28,477,511”.

Page 299, line 20, after “D.”, insert “1.”.

Page 299, line 21, strike “\$1,917,500 the first year” and insert:

“\$9,417,500 the first year and \$7,500,000 the second year”.

Page 299, line 25, after “Virginia.” insert:

“Of this amount, a minimum of \$5,000,000 each year shall be directed by the Director of the Department of Conservation and Recreation to agricultural best management practices programs.

2. The Department shall review Soil and Water Conservation District (SWCD) operations and identify potential improvements in water quality and soil erosion programs. The review shall consider the relative needs of the various Districts, practices that offer the most cost-effective use of nonpoint source funding, and practices that are most appropriate given the characteristics of the various districts. The review shall incorporate the most recent findings on best management practice effectiveness. Based on the findings of the review, the Department shall propose changes in SWCD practices, staffing and funding, including the potential for performance-based funding, to improve the Commonwealth's nonpoint source programs. The Department shall coordinate this review with the requirements of House Joint Resolution 72 of the 2004 Session and any planned reviews of its nutrient management regulations. Copies of an interim report shall be provided to the Chairmen of the House Committees on Appropriations, and Agriculture, Chesapeake and Natural Resources, and the Senate Committees on Finance, and Agriculture, Conservation and Natural Resources by December 31, 2004. The final report including recommendations for SWCD practices and funding shall be provided by December 31, 2005.”

Natural Resources			Item 383 #1c
Department Of Conservation And Recreation	FY 04-05 \$522,558 10.00	FY 05-06 \$522,558 10.00	GF FTE

Language:

Page 300, line 1, strike "\$25,666,442" and insert "\$26,189,000".
 Page 300, line 1, strike "\$25,666,442" and insert "\$26,189,000".

Natural Resources

Item 383 #2c

Department Of Conservation And Recreation

Language

Language:

Page 300, line 18, strike "the".
 Page 300, line 19, strike "Commonwealth's matching share of support".
 Page 300, line 20, after "Park," insert "an amount".

Natural Resources

Item 383 #3c

Department Of Conservation And Recreation

Language

Language:

Page 301, after line 50, insert:
 "L. No funds shall be expended or authorized by the Department of Conservation and Recreation for the development of a state park on the property transferred from the Beaumont Juvenile Correctional Center until completion of the park master plan, which shall include adequate opportunity for public participation in the planning process. Nothing in this item shall preclude the Department from making necessary arrangements to secure the property in accordance with the terms of transfer from the Department of Juvenile Justice or from undertaking alterations necessary for public safety. The Department shall notify the Chairmen of the House Appropriations and Senate Finance Committees 60 days prior to any alterations to the property that are pursuant to development of a state park."

Natural Resources

Item 383 #4c

Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$800,000	\$800,000	GF

Language:

Page 300, line 1, strike "\$25,666,442" and insert "\$26,466,442".
 Page 300, line 1, strike "\$25,666,442" and insert "\$26,466,442".
 Page 301, line 11, strike "\$500,000" and insert "\$1,300,000".
 Page 301, line 12, strike "\$500,000" and insert "\$1,300,000".

Natural Resources

Item 383 #5c

Department Of Conservation And Recreation	FY 04-05	FY 05-06	
	\$2,500,000	\$2,500,000	GF

Language:

Page 300, line 1, strike "\$25,666,442" and insert "\$28,166,442".
 Page 300, line 1, strike "\$25,666,442" and insert "\$28,166,442".
 Page 301, line 15, after "H.", and insert "1".
 Page 301, line 22, after "funding;" insert:
 "descriptions of projects that received funding;"
 Page 301, after line 24, insert:
 "2. Included in the amount for Preservation of Open Space Lands is \$2,500,000 in the first year and \$2,500,000 in the second year from the general fund to be deposited into the Virginia Land Conservation Fund, § 10.1-1012 Code of Virginia.

3. The Chairman of the Virginia Land Conservation Foundation, or his designee, shall review the criteria used to evaluate grant applications. Based on this review, the Foundation shall develop new review criteria that better quantify the relative merits of each prospective grant parcel. The measurable criteria shall include, but are not limited to, the following: (1) the status of the parcel under a locality's master plan as a Chesapeake Bay Preservation Area, (2) the degree to which securing the parcel will protect local drinking water supplies, (3) the degree to which the parcel satisfies recreational needs of population centers, or other recreational needs as identified in the Virginia Outdoors Plan, (4) the extent to which the affected localities have identified the parcel as having important local water quality or recreational benefits, (5) other criteria that are relevant to the particular classes of open space preservation provided under Virginia law, and (6) the cost-effectiveness of the parcel in satisfying these criteria compared to alternatives. By November 19, 2004, copies of the proposed revisions to the grant review criteria shall be provided to the Chairmen of the House Committees on Appropriations, and Agriculture, Chesapeake and Natural Resources, and the Senate Committees on Finance, and Agriculture, Conservation and Natural Resources.

4. Beginning November 1, 2005, and annually thereafter, the Chairman of the Virginia Land Conservation Foundation shall submit a report to the Chairmen of the House Committees on Appropriations, and Agriculture, Chesapeake and Natural Resources, and the Senate Committees on Finance and Agriculture, Conservation and Natural Resources, and the Director of the Department of Planning and Budget on the activities of the Virginia Land Conservation Foundation including, but not limited to, implementation of the Foundation's strategic plan; projects under consideration for funding, with their scores on the new grant review criteria developed pursuant to paragraph H.2. above; projects funded, with their scores on the new grant review criteria developed pursuant to paragraph H.2. above; and expenditures from, interest earned by, and financial obligations of the Virginia Land Conservation Fund.”

Natural Resources			Item 385 #1c
Department Of Environmental Quality	FY 04-05	FY 05-06	
	\$400,000	\$400,000	GF

Language:

Page 302, line 26, strike “\$35,095,230” and insert “\$35,495,230”.

Page 302, line 26, strike “\$35,012,786” and insert “\$35,412,786”.

Page 303, strike lines 32 to 47.

Natural Resources			Item 386 #1c
Department Of Environmental Quality	FY 04-05	FY 05-06	
	(\$500,000)	(\$500,000)	GF

Language:

Page 303, line 48, strike “\$8,339,506” and insert “\$7,839,506”.

Page 303, line 48, strike “\$8,371,076” and insert “\$7,871,076”.

Natural Resources			Item 388 #1c
Department Of Environmental Quality			
			Language

Language:

Page 305, after line 14, insert:

“F. The Director of the Department of Environmental Quality (DEQ) and the State Water Control Board shall give a high priority to securing funding for regional facility and capacity planning related to wastewater treatment and water quality in the Lenowisco, Cumberland Plateau, and Mount

Rogers Planning District Commissions. Possible sources of funding which the Director shall pursue, in cooperation with the planning district commissions, include: State Tribal Assistance Grants (STAG) through US Environmental Protection Agency, Rural Utility Services funding through the US Department of Agriculture, and funds available to the Virginia Department of Housing and Community Development. In considering financing through the wastewater treatment revolving loan fund, and the interest rate of the loan, the State Water Control Board shall consider the economic capacity of the localities in question, and the important environmental quality benefits to be gained from planning and development of adequate wastewater treatment capacity. There is hereby established a sum sufficient nongeneral fund appropriation in the Department of Environmental Quality, not to exceed the amount of grants received through these programs in which the Department is a grant recipient on behalf of the planning district commissions.”

Natural Resources Item 388 #2c
 Department Of Environmental Quality Language

Language:
 Page 304, line 54, strike “and Virginia Beach” and insert:
 “Virginia Beach, and the Elizabeth River Restoration Trust”.

Natural Resources Item 388 #3c
 Department Of Environmental Quality Language

Language:
 Page 305, after line 14, insert:
 “F. The Department of Accounts shall provide a treasury loan of \$1,272,705 to the Department of Environmental Quality in order to support the continued payment of formula-based Litter Prevention and Recycling Grants to local governments during fiscal year 2005. Such loan shall bear interest at a rate equal to the general fund composite investment rate and shall be repaid over a period of five years beginning in fiscal year 2006 from the proceeds of the Department of Environmental Quality’s Litter Control and Recycling Program (Fund 0925). Repayment is to be made from that portion of the proceeds that is in excess of the annual amounts needed to continue the payment of these formula-based grant awards in subsequent fiscal years. During the period required to repay this treasury loan, the total annual value of Litter Prevention and Recycling Grants awarded to local governments shall not exceed the total amounts issued during fiscal year 2004.”

Natural Resources			Item 388 #4c
Department Of Environmental Quality	FY 04-05	FY 05-06	
	\$7,500,000	\$7,500,000	GF

Language:
 Page 304, line 18, strike “\$60,303,091” and insert “\$67,803,091”.
 Page 304, line 18, strike “\$54,419,021” and insert “\$61,919,021”.
 Page 305, line 2, after “D.” insert “1.”
 Page 305, line 3, strike “\$5,752,500 the first year” and insert:
 “\$13,252,500 the first year and \$7,500,000 the second year”.
 Page 305, after line 7, insert:
 “2. Beginning in its January 2005 Annual Report on the Virginia Water Quality Improvement Fund, the Department shall provide the following additional information for approved projects: (1) annual projections of the nutrient reductions from the grant project from the time of project completion to either the year the facility will reach design capacity, or ten years, whichever is longer, (2) the

impact the project will have on nutrient reduction goals for any associated tributary strategy, and (3) the discounted net present value of the grant award in terms of dollars per ton of nutrients removed based on the projections included in subsection (1) of this Paragraph.”

Natural Resources			Item 388 #5c
Department Of Environmental Quality			
			Language

Language:

Page 305, after line 14, insert:

“F. Under § 56-575.1, Code of Virginia, the definition for a recreational facility shall include improvements to or dredging of any waterway used for recreational purposes.”

Natural Resources			Item 388 #6c
Department Of Environmental Quality	FY 04-05	FY 05-06	
	(\$15,000,000)	(\$15,000,000)	NGF

Language:

Page 304, line 18, strike “\$60,303,091” and insert “\$45,303,091”.

Page 304, line 18, strike “\$54,419,021” and insert “\$39,419,021”.

Page 305, strike lines 8 through 14.

Natural Resources			Item 393 #1c
Department Of Game And Inland Fisheries	FY 04-05	FY 05-06	
	\$10,000	\$20,000	NGF

Language:

Page 307, line 9, strike “\$34,989,619” and insert “\$34,999,619”.

Page 307, line 9, strike “\$34,989,619” and insert “\$35,009,619”.

Page 307, after line 35, insert:

“C. The Department shall maintain operation of, and visitor access to, state-owned fish hatcheries, including the Montebello fish hatchery. To offset the cost of supervising visitors at the fish hatcheries, the Department may charge a fee of up to \$1.00 per visitor.”

Natural Resources			Item 393 #2c
Department Of Game And Inland Fisheries	FY 04-05	FY 05-06	
	(\$733,361)	(\$733,361)	GF

Language:

Page 307, line 9, strike “\$34,989,619” and insert “\$34,256,258”.

Page 307, line 9, strike “\$34,989,619” and insert “\$34,256,258”.

Page 307, strike lines 29 through 35.

Page 307, line 23, strike “A”.

Natural Resources			Item 399 #1c
Marine Resources Commission	FY 04-05	FY 05-06	
	\$600,000	\$600,000	NGF
	10.00	10.00	FTE

Language:

Page 310, line 19, strike “\$11,451,099” and insert “\$12,051,099”.

Page 310, line 19, strike “\$11,451,099” and insert “\$12,051,099”.

Page 311, after line 19, insert:

“H. Any additional revenue generated from increased fees pursuant to the authority provided by Chapter 860, 2004 Acts of Assembly, shall be used by the Marine Resources Commission for direct agency operations. Of this additional revenue, not less than \$300,000 annually shall be used to expand marine law enforcement operations. Any additional revenue beyond this minimum increase dedicated for law enforcement shall be directed to marine law enforcement, fisheries management, artificial reef construction, oyster habitat improvement, oyster propagation, or coastal land surveying and mapping.”

Natural Resources			Item 402 #1c
Virginia Museum Of Natural History	FY 04-05	FY 05-06	
	(\$84,973)	(\$84,971)	GF

Language:

Page 312, line 2, strike “\$2,149,333” and insert “\$2,064,360”.

Page 312, line 2, strike “\$2,149,293” and insert “\$2,064,322”.

Page 312, line 11, before “Out” insert “A.”.

Page 312, after line 17, insert:

“B. The Virginia Museum of Natural History shall review the feasibility of funding operating positions, including development activities, through increased grants and other voluntary contributions from the public and private sectors, or through cooperative arrangements with other organizations. The review shall address the operating needs of the new museum building in Martinsville. Copies of the review shall be provided to the Chairmen of the House Appropriations and Senate Finance Committees no later than November 30, 2004.”

Public Safety		Item 404 #1c
Commonwealth's Attorneys' Services Council		Language

Language:

Page 313, strike lines 28 through 34.

Public Safety		Item 405 #1c
Department Of Alcoholic Beverage Control		Language

Language:

Page 314, after line 17, insert:

“D. By September 1 of each year, the Alcoholic Beverage Control Board shall report for the prior fiscal year the dollar amount of total wine liter tax collections in Virginia; the portion, expressed in dollars, of such tax collections attributable to the sale of Virginia wine in both ABC stores and in private stores; and, the percentage of total wine liter tax collections attributable to the sale of Virginia wine. Such report shall be submitted to the Chairmen of the House Appropriations and Senate Finance Committees and the Virginia Wine Board.”

Public Safety		Item 410 #1c
Department Of Corrections, Central Activities		Language

Language:

Page 316, after line 57, insert:

“H. Any new mental health or substance abuse treatment program or initiative for adult offenders developed and implemented by the Department of Corrections shall be evaluated at least annually to

ensure that program goals and objectives are being met. The department shall report the results of the evaluations to the Chairmen of the House Appropriations and Senate Finance Committees and the Joint Commission on Health Care.”

Public Safety Item 410 #2c
Department Of Corrections, Central Activities Language

Language:

Page 316, after line 57, insert:

“H. The Department of Corrections shall develop preliminary plans for construction of a medium security prison, in addition to those authorized in this act, and shall present such plans to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees no later than December 1, 2004. The plans may consider either or both construction and operation of such prison under this act, the Public Private Education and Infrastructure Act, the Corrections Private Management Act, or such other means as may be appropriate. The Department shall give first priority consideration to locating such prison within the Mount Rogers Planning District. The next priority for the location of a subsequent facility shall be given to a location within Charlotte County.”

Public Safety			Item 415 #1c
Division Of Community Corrections	FY 04-05	FY 05-06	
	\$463,276	\$1,463,224	GF
	25.00	25.00	FTE

Language:

Page 317, line 40, strike “\$58,809,844” and insert “\$59,273,120”.
Page 317, line 40, strike “\$58,809,844” and insert “\$60,273,068”.

Public Safety Item 416 #1c
Division Of Community Corrections Language

Language:

Page 319, after line 6, insert:

“3. Adjustments to previously approved project funding levels, which had been based on planning study estimates, to conform to the actual project costs as determined by competitive bid.”

Page 319, line 7, strike “3” and insert “4”.

Page 319, line 9, strike “up to 120 beds” and insert:

“the development of a new community corrections facility with approximately 204 beds, and a 120-bed expansion of the existing jail”.

Page 319, after line 19, insert:

“C. The following projects are hereby exempted from the provisions of Paragraph B. in order to proceed in planning. Pursuant to the provisions of § 53.1-82.3, Code of Virginia, the governing bodies of these proposed facilities shall submit the required community-based corrections plans, facility specifications, and the expected financing costs to the Department of Corrections by March 1, 2005. Furthermore, the Governor may include a recommendation for funding such projects for consideration by the General Assembly at its 2006 Session. The review by the Board of Corrections of each of these projects shall be consistent with Paragraphs D. and E. below and with Item 420 D.

1. Appomatox, Amherst and Nelson Counties, in order to proceed with planning for a regional jail.

2. The Hampton Roads Regional Jail Authority, for a planning study. No funds shall be obligated for reimbursement of the proposed planning study or for reimbursement of the state share of construction costs without approval of the General Assembly.

3. The Gloucester County Jail.

4. The Roanoke County-Salem Jail.

5. The Pittsylvania County Jail.

6. The Riverside Regional Jail Authority.

7. The Rappahannock Regional Jail Authority.

D. The Board of Corrections shall not approve or commit additional funds for the state share of the cost of construction, enlargement, or renovation of a local or regional jail facility, except when such project is consistent with the projected number of local and state responsible offenders to be housed in such facility.

E. The Board of Corrections shall not approve or commit additional funds for the state share of the cost of construction, enlargement, or renovation of a local or regional jail facility, except when such project is proposed to be built using Community Custody Facilities Standards, as adopted by the Board, unless the use of more expensive construction standards is justified, based on a documented projection of offender populations that would require a higher level of security.”

Public Safety

Item 416 #2c

Division Of Community Corrections

Language

Language:

Page 319, after line 19, insert:

“C. The Hampton Roads Regional Jail Authority, with the assistance of the Departments of Corrections and Mental Health, Mental Retardation and Substance Abuse Services, may prepare a preliminary report on the feasibility of developing a specialized facility at the regional jail complex for jail inmates referred by the criminal courts of the Commonwealth for evaluation and treatment, pursuant to the provisions of Chapter 11 of Title 19.2 of the Code of Virginia. Such facility would be owned by the Hampton Roads Regional Jail Authority, and operated under contract by the Department of Mental Health, Mental Retardation and Substance Abuse Services, with the goal of reducing waiting times for emergency treatment, evaluation of competency to stand trial and/or sanity, and restoration to competency to stand trial. The Departments of Corrections and Mental Health, Mental Retardation and Substance Abuse Services shall provide all necessary technical assistance to support this study in cooperation with the Hampton Roads Regional Jail Authority. A report on this study shall be provided to the Secretaries of Public Safety and Health and Human Resources, the Chairmen of the Senate Finance and House Appropriations Committees, and the Chairman of the Joint Commission on Health Care, by October 15, 2004.”

Public Safety

Item 419 #1c

Division Of Institutions

Language

Language:

Page 320, line 15, before “To”, insert “A.”

Page 320, after line 17, insert:

“B. The Governor may authorize or direct the transfer of prisoner labor, or of farm commodities produced, at any state agency to any other state agency. It is further provided that unit prices of foodstuffs or other commodities produced on farms shall be fixed on a basis no more frequently than semiannually by the Director, Department of Corrections. These unit prices shall be the basis for

charging the value of foods produced by the farms and consumed by the producing agencies or sold to other state agencies of the Commonwealth under the provisions of § 2.2-1116, Code of Virginia.”

Public Safety			Item 419 #2c
Division Of Institutions	FY 04-05	FY 05-06	
	(\$2,248,573)	\$0	GF

Language:

Page 320, line 2, strike “\$258,670,016” and insert “\$256,421,443”.

Public Safety			Item 420 #1c
Division Of Institutions	FY 04-05	FY 05-06	
	(\$800,000)	\$0	GF

Language:

Page 320, line 18, strike “\$405,086,042” and insert “\$404,286,042”.

Public Safety			Item 420 #2c
Division Of Institutions			
			Language

Language:

Page 321, line 31, after “D.” insert “1.”

Page 321, after line 36, insert:

“2. The Department of Corrections, in conjunction with the Secretary of Public Safety, shall provide a status report on the department's jail pre-release program that includes details on the participating sites, number of inmates participating in the program, services provided to participants at each site, the status of individuals who have completed the program, any factors impacting program utilization, and the impact of the program on the department's ability to address the backlog of state responsible inmates in local and regional jails. This report shall be provided to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than October 1, 2004.”

Public Safety			Item 420 #3c
Division Of Institutions	FY 04-05	FY 05-06	
	(\$635,408)	(\$1,980,665)	GF

Language:

Page 320, line 18, strike “\$405,086,042” and insert “\$404,450,634”.

Page 320, line 18, strike “\$407,600,523” and insert “\$405,619,858”.

Public Safety			Item 420 #4c
Division Of Institutions	FY 04-05	FY 05-06	
	\$722,858	\$1,445,715	GF

Language:

Page 320, line 18, strike “\$405,086,042” and insert “\$405,808,900”.

Page 320, line 18, strike “\$407,600,523” and insert “\$409,046,238”.

Public Safety			Item 420 #5c
Division Of Institutions	FY 04-05	FY 05-06	
	\$250,000	\$250,000	NGF

Language:

Page 320, line 18, strike "\$405,086,042" and insert "\$405,336,042".

Page 320, line 18, strike "\$407,600,523" and insert "\$407,850,523".

Page 320, line 33, strike "100,000" and "100,000" and insert:
 "150,000" and "150,000".

Page 320, line 34, strike "Prison Family Support Services" and insert:
 "Assisting Families of Inmates".

Page 320, line 35, strike "100,000" and "100,000" and insert:
 "300,000" and "300,000".

Public Safety	Item 420 #6c
Division Of Institutions	
	Language

Language:

Page 321, line 31, after "D.", insert "1."

Page 321, after line 36, insert:

"2. The Department shall prepare a plan to house a total of 1,000 state-responsible offenders in such local and regional jails as it may deem appropriate, pursuant to the jail contract bed program, during the 2004-06 biennium. The plan shall include an analysis of potential impediments to the expansion of the contract bed program, including, but not limited to, the extent to which current arrangements for housing federal prisoners may be absorbing jail capacity which could otherwise be used for this program. As a companion to this plan, the Department shall submit a budget amendment to the Department of Planning and Budget requesting the anticipated funds required to implement this plan, either in full or in part. As approved by the Secretary of Public Safety, the plan and associated request for funding shall be presented to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees by September 15, 2004."

Public Safety			Item 420.10 #1c
Division Of Institutions	FY 04-05	FY 05-06	
	\$32,589	\$0	GF

Language:

Page 321, after line 36, insert:

"420.10. Corrections Special Reserve Fund (35900)	\$32,589	\$0
Fund Sources: General	\$32,589	\$0."

Authority: § 30-19.1:4, Code of Virginia

"Included in the appropriation is \$32,589 to cover the projected state prison bed space impact, as determined in accordance with § 30-19.1:4, Code of Virginia, of Chapter 980 (House Bill 1233) of the Acts of Assembly 2004."

Public Safety			Item 427 #1c
Department Of Criminal Justice	FY 04-05	FY 05-06	
Services	\$125,000	\$250,000	GF
	6.00	6.00	FTE

Language:

Page 324, line 13, strike "\$27,463,414" and insert "\$27,588,414".

Page 324, line 13, strike "\$27,463,414" and insert "\$27,713,414".

Public Safety

Item 430 #1c

Department Of Criminal Justice Services

Language

Language:

Page 327, after line 44, insert:

"K. The Department of Criminal Justice Services shall review the feasibility of allowing alternative training delivery methods, with a focus on distance learning and computer-based training, for entry level and in-service training for criminal justice officers. In determining the feasibility of alternative training delivery methods, the Department shall consider the quality of training provided, cost effectiveness, and the impact upon local units of government. The Department shall consult with affected local governments, state and local public safety agencies, training organizations, and higher education institutions, including the Virginia Community College System. The results, including details on potential cost savings and cost avoidance, shall be reported to the Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2004."

Public Safety

Item 430 #2c

Department Of Criminal Justice Services

Language

Language:

Page 327, after line 44, insert:

"K. The Department of Criminal Justice Services shall prepare a report on fees assessed by all regional criminal justice training academies for training services provided to nongovernmental agencies or organizations. The report shall include an assessment of whether fees charged nongovernmental agencies or organizations fully recognize the total cost of training provided. The report shall also provide options for recovering the cost of the state-supported training services provided to nongovernmental agencies or organizations by regional criminal justice training academies. The Department shall consult with affected local governments and government and nongovernment public safety agencies or organizations that utilize the regional criminal justice training academies. The results shall be reported to the Chairmen of the House Appropriations and Senate Finance Committees by December 1, 2004."

Public Safety

Item 430 #3c

Department Of Criminal Justice Services

FY 04-05
\$220,000

FY 05-06
\$220,000

GF

Language:

Page 324, line 40, strike "\$65,420,178" and insert "\$65,640,178".

Page 324, line 40, strike "\$65,420,178" and insert "\$65,640,178".

Public Safety

Item 430 #4c

Department Of Criminal Justice Services

FY 04-05
\$100,000

FY 05-06
\$146,250

GF

Language:

Page 324, line 40, strike "\$65,420,178" and insert "\$65,520,178".

Page 324, line 40, strike "\$65,420,178" and insert "\$65,566,428".

Page 325, line 40, strike "828,750" and "828,750" and insert:

“928,750” and “975,000”.

Public Safety			Item 430 #5c
Department Of Criminal Justice	FY 04-05	FY 05-06	
Services	\$819,000	\$1,638,000	GF

Language:

Page 324, line 40, strike “\$65,420,178” and insert “\$66,239,178”.

Page 324, line 40, strike “\$65,420,178” and insert “\$67,058,178”.

Page 325, line 42, strike “18,620,828” and insert “19,439,828”.

Page 325, line 43, strike “18,620,828” and insert “20,258,828”.

Page 326, strike lines 22 through 40.

Public Safety			Item 432 #1c
Department Of Criminal Justice	FY 04-05	FY 05-06	
Services	(\$2,869,172)	(\$5,549,992)	GF

Language:

Page 327, line 51, strike “\$180,420,342” and insert “\$177,551,170”.

Page 327, line 51, strike “\$192,688,925” and insert “\$187,138,933”.

Page 328, strike line 12 through line 18.

Page 328, line 19, strike “C.” and insert “B.”

Page 328, after line 25, insert:

“C. It is the intent of the General Assembly that state funding provided to localities operating police departments be used to fund local public safety services. Funds provided in this item shall not be used to supplant the funding provided by localities for public safety services as of June 30, 2004.”

Public Safety			Item 436 #1c
Department Of Fire Programs	FY 04-05	FY 05-06	
	(\$1,250,000)	\$0	GF

Language:

Page 329, line 32, strike “\$18,373,574” and insert “\$17,123,574”.

Public Safety			Item 439 #1c
Department Of Juvenile Justice			
			Language

Language:

Page 330, after line 31, insert:

“Any new mental health or substance abuse treatment program or initiative for juvenile offenders developed and implemented by the Department of Juvenile Justice shall be evaluated at least annually to ensure that program goals and objectives are being met. The department shall report the results of the evaluations to the Chairmen of the House Appropriations and Senate Finance Committees and the Joint Commission on Health Care.”

Public Safety			Item 439 #2c
Department Of Juvenile Justice	FY 04-05	FY 05-06	
	(\$536,450)	\$0	GF

Language:

Page 330, line 19, strike "\$26,353,232" and insert "\$25,816,782".

Public Safety			Item 441 #1c
Department Of Juvenile Justice	FY 04-05	FY 05-06	
	\$394,145	\$788,289	GF

Language:

Page 331, line 41, strike "\$51,878,246" and insert "\$52,272,391".

Page 331, line 41, strike "\$51,878,246" and insert "\$52,666,535".

Public Safety			Item 445 #1c
Department Of Juvenile Justice	FY 04-05	FY 05-06	
	\$0	(\$775,000)	GF

Language:

Page 333, line 56, strike "\$50,897,969" and insert "\$50,122,969".

Page 334, strike line 18 through line 25 and insert:

"C. The Department of Juvenile Justice shall provide a report on its plans for utilization of the state's juvenile correctional centers, including any projected alternative programs for housing juvenile offenders committed to the department. Such report shall first be based upon funding and staffing levels included in this act, and may include alternative plans based upon requests for additional resources in subsequent biennia. The Director of the Department shall provide the report to the Governor and to the Chairmen of the House Appropriations and Senate Finance Committees no later than October 1, 2004."

Public Safety			Item 456 #1c
Department Of State Police			
			Language

Language:

Page 338, strike line 11 and insert "E. This appropriation includes".

Page 338, line 15, strike "is" and insert "."

Page 338, strike lines 16 through 19.

Technology			Item 463 #1c
Virginia Information Technologies Agency			
			Language

Language:

Page 342, after line 56, insert:

"D. The provisions of Title 2.2, Chapter 20.1 of the Code of Virginia shall not apply to the Virginia Port Authority."

Technology			Item 463 #2c
Virginia Information Technologies Agency			
			Language

Language:

Page 342, after line 56, insert:

"D. The requirement that the Department of Mental Health, Mental Retardation, and Substance Abuse Services purchase information technology equipment or services from the Virginia Information Technologies Agency according to the provisions of Chapters 981 and 1021 of the Acts

of Assembly of 2003 shall not adversely impact the provision of services to mentally disabled clients.”

Technology

Item 463 #3c

Virginia Information Technologies Agency

Language

Language:

Page 342, after line 56, insert:

“D. The Information Technology Investment Board, in addition to the responsibilities as set forth in the 9th Enactment clause of Chapter 981 of the Acts of Assembly of 2003, shall have the authority to postpone the implementation schedule of any state agency by a vote of the majority of members. The members may consider the following reasons for postponement: security and sensitivity of information, adverse economic affects on participants' benefits, unusual effects on the agency's budget, or other matters that could adversely effect the Commonwealth's operations in the opinion of the Chief Information Officer.”

Technology

Item 463 #4c

Virginia Information Technologies Agency

Language

Language:

Page 342, after line 56, insert:

“D. The Board shall not delegate any duties or responsibilities to the Chairman other than to preside over meetings or act as the Board's spokesperson in public meetings. The Chairman shall have no powers or duties greater than those given to any other Board member. The Board shall use the Chief Information Officer to arrange Board and committee meetings and agendas and solicit the Chief Information Officer's advice on Information Technology Investment Board meeting topics and the frequency of meetings.”

Technology

Item 463 #5c

Virginia Information Technologies Agency

Language

Language:

Page 342, after line 56, insert:

“D. Except as they relate to project management, oversight and assistance provided for implementation of the Statewide Agencies Radio System (STARS), the provisions of Title 2.2, Chapter 20.1 of the Code of Virginia shall not apply to the Department of State Police.”

Technology

Item 463 #6c

Virginia Information Technologies Agency

Language

Language:

Page 342, after line 56, insert:

“D.1. The Department of Human Resource Management shall review all compensation actions for employees of the Virginia Information Technologies Agency for proper application of the Commonwealth's classification and compensation policies or procedures. Subject to a memorandum of agreement between these two agencies, such review shall be undertaken in a timely manner and the results reported back to the Virginia Information Technologies Agency within five business days of completion.

2. No later than November 1 of each year the Department shall report its findings of any material deviations from such policies or procedures and the corrective actions that have been taken to the Virginia Information Technologies Investment Board, the Governor, the Chairmen of the House Appropriations and Senate Finance Committees, and the Joint Legislative Audit and Review Commission.”

Technology			Item 466 #1c
Virginia Information Technologies	FY 04-05	FY 05-06	
Agency	(\$7,266,000)	(\$519,000)	GF

Language:

Page 343, line 30, strike “\$14,932,851” and insert “\$7,666,851”.
Page 343, line 30, strike “\$8,185,999” and insert “\$7,666,999”.

Technology		Item 466 #2c
Virginia Information Technologies Agency		
		Language

Language:

Page 344, line 46, strike “1708” and insert “2028”.
Page 344, line 48, after “acquisition” insert:
“or for other purposes authorized in § 2.2-2028”.

Transportation		Item 469 #1c
Secretary Of Transportation		
		Language

Language:

Page 348, line 23, strike “funds.” and insert “funds,”.

Transportation		Item 470 #1c
Department Of Aviation		
		Language

Language:

Page 350, after line 12, insert:
“The Director, Department of Aviation, shall prepare general guidelines regarding aircraft acquisition and use that shall include a requirement for state agencies to develop written policies on usage, charge rates and record-keeping. The Director shall examine the aircraft needs of state agencies and determine the most efficient and effective method of organizing and managing the Commonwealth's aircraft operations. The Director shall implement the aircraft management system he determines to be most suitable and revise it periodically as the need arises.”

Transportation		Item 474 #1c
Department Of Aviation		
		Language

Language:

Page 351, strike lines 26 through 30.

Transportation		Item 477 #1c
Department Of Motor Vehicles		
		Language

Language:

Page 352, after line 48, insert:

“D. The Department of Motor Vehicles is directed to implement, wherever possible, the recommendations of the Auditor of Public Accounts included in the study conducted pursuant to Item 2, Chapter 1042 of the Acts of Assembly of 2003. The Department of Motor Vehicles, in conjunction with the Auditor of Public Accounts, shall report to the Governor, the Secretary of Transportation, the Chairmen of the House Committees on Transportation and Appropriations and the Chairmen of the Senate Finance and Transportation Committees on the progress of the Department of Motor Vehicles' efforts to implement the cost methodology and productivity measures recommended by the Auditor of Public in his November 13, 2003, report by December 1, 2004. Such report shall include the department's evaluation of the variable costs of providing customer services via the various service delivery methods, as well as additional recommendations from the Auditor on the changes to the Department of Motor Vehicles' budget processes that will ensure that it reflects sound financial policy.

E. The Department of Motor Vehicles shall work with the Secretary of Transportation to develop performance goals and strategies that shall be submitted in the form of budget amendments for review and approval by the 2005 Session of the General Assembly. The goals and strategies shall be based on constrained assumptions of revenues and appropriations and shall address the major activities of the agency, including (1) driver licensing; (2) driver monitoring; (3) driver reinstatement; (4) vehicle titling and registration; (5) vehicle insurance monitoring; (6) dealer licensing and regulation; and (7) customer records and information.”

Transportation

Item 482 #1c

Department Of Rail And Public Transportation

Language

Language:

Page 353, line 35, after “A.”, insert “1.”

Page 353, after line 38, insert:

“2. Not included in this appropriation is an amount estimated at \$10,122,400 the first year and \$10,403,000 the second year allocated directly to transit agencies from federal sources for the Surface Transportation Program (STP) and the Minimum Guarantee program.”

Transportation

Item 483 #1c

Department Of Rail And Public Transportation

Language

Language:

Page 355, line 6, before “Out”, insert “A.”

Page 355, after line 14, insert:

“B. The Department shall report to the Secretary of Transportation and to the Chairmen of the Senate Committees on Finance and Transportation and the House Committees on Appropriations and Transportation by January 10, 2005, on the status of the Trans Dominion Express. The report shall include updated operating and capital costs to establish the line and potential funding sources. In addition, the report shall identify nonfinancial issues requiring resolution before the line can be started.”

Transportation

Item 484 #1c

Department Of Transportation

Language

Language:

Page 356, strike lines 17 through 22 and insert:

“E. Each year, as part of the six-year financial planning process, the Commissioner shall implement a long-term business strategy that considers appropriate staffing levels for the department. In addition, the Commissioner shall identify services, programs, or projects that will be evaluated for devolution or outsourcing in the upcoming year. In undertaking such evaluations, the Commissioner is authorized to use the appropriate resources, both public and private, to competitively procure those identified services, programs, or projects and shall identify total costs for such activities. The Commissioner shall include annually in the update of the six-year plan a report on the department's evaluations of outsourcing and devolution opportunities, and the outcome of those evaluations. Such report shall include an analysis of the costs of the services provided by the Commonwealth compared to costs associated with outsourcing those same services.”

Transportation

Item 484 #2c

Department Of Transportation

Language

Language:

Page 356, after line 26, insert:

“G. The Auditor of Public Accounts shall conduct a follow-up status review of his July 8, 2002, report entitled “Special Review of the Cash Management and Capital Budgeting Practices” for the Department of Transportation. The Auditor shall specifically review Transportation's implementation of the cash and expenditure forecasting model, project cost estimating system and the development of the Six Year Program as a financially constrained budget. The Auditor shall include Transportation's progress on implementing all other recommendations within the July 8, 2002, report. The Auditor shall report his findings to the Governor and the Secretary of Transportation and to the Chairmen of the House Committees on Transportation and Appropriations and the Senate Committees on Transportation and Finance no later than December 1, 2004.

H. The Department of Transportation shall work with the Secretary of Transportation to develop performance goals and strategies in budget amendments to be submitted for review and approval by the 2005 Session. Goals and strategies shall be based on realistic assumptions of revenues and appropriations, and shall address the major activities of the agency, including: (1) highway system maintenance; (2) highway system construction; (3) financial planning, management, and accountability; (4) toll facilities operations and management; (5) environmental evaluation and planning; (6) traffic engineering; and (7) transportation research.”

Transportation

Item 487 #1c

Department Of Transportation

Language

Language:

Page 356, line 42, before “Included”, insert “A.”

Page 357, after line 12, insert:

“B. Out of the amounts provided for Ground Transportation System Planning and Research, the Department of Transportation, through the Virginia Transportation Research Council, shall allocate such amounts as may be required to study the use of soil stabilizers in highway shoulders at one or more selected locations. In conducting its evaluation, the Council shall include a cost/benefit analysis, with the objective of finding a method of substantially reducing the occurrence of pavement/shoulder drop-off at a reasonable cost. Findings of the evaluation shall be reported to the

Chairmen of the House Appropriations and Senate Finance Committees no later than January 1, 2005.”

Transportation Item 487 #2c
 Department Of Transportation Language

Language:

Page 356, at the beginning of line 42, insert “A.”

Page 357, after line 12, insert:

“B. Out of the appropriation included for this item, \$75,000 in the first year shall be provided to fund the costs of engineering services required to continue efforts to select appropriate traffic calming methods for the Hunter Mill Road area in Fairfax County. VDOT shall transfer such funds to the Northern Virginia Transportation Authority which shall be responsible for ensuring the conduct of the traffic calming study. The Northern Virginia Transportation Authority shall present the findings and recommendations of the engineering review to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees by December 15, 2004.”

Transportation Item 492 #1c
 Department Of Transportation Language

Language:

Page 358, after line 49, insert:

“C. Out of the amounts for Financial Assistance for Planning, Access Roads, and Special Projects, \$50,000 the first year and \$50,000 the second year from the Commonwealth Transportation Fund shall be provided to support the transportation planning activities of the Northern Virginia Transportation Authority. The Authority shall comply with all applicable federal and state regulations to receive the funds.”

Transportation			Item 493 #1c
Department Of Transportation	FY 04-05	FY 05-06	
	(\$130,400,000)	(\$141,600,000)	GF

Language:

Page 359, line 2, strike “\$469,767,289” and insert “\$339,367,289”.

Page 359, line 2, strike “\$512,134,870” and insert “\$370,534,870”.

Page 363, strike lines 18 through 27.

Central Appropriations			Item 499 #1c
Central Appropriations	FY 04-05	FY 05-06	
	(\$2,463,542)	(\$2,570,660)	GF

Language:

Page 367, line 3, strike “\$26,830,254” and insert “\$24,366,712”.

Page 367, line 3, strike “\$27,996,808” and insert “\$25,426,148”.

Page 367, line 43, strike “\$328,468” and insert “\$2,792,010”.

Page 367, line 43, strike “\$342,757” and insert “\$2,913,417”.

Page 367, line 49, strike “\$294,584” and insert “\$2,503,872”.

Page 367, line 50, strike "\$307,394" and insert "\$2,612,882".

Central Appropriations			Item 499 #2c
Central Appropriations	FY 04-05	FY 05-06	
	\$0	(\$2,000,000)	GF

Language:

Page 367, line 3, strike "\$27,996,808" and insert "\$25,996,808".

Page 368, line 4, insert:

"E. The Director, Department of Planning and Budget, in consultation with the State Treasurer, shall withhold \$2,000,000 in fiscal year 2006 from the Treasury Board as the result of favorable interest rates and lower than anticipated debt service for previously issued bonds of the Virginia Public Building Authority and Virginia College Building Authority."

Central Appropriations			Item 502 #1c
Central Appropriations			
			Language

Language:

Page 369, after line 57, insert:

"E. There is hereby appropriated to the Tobacco Indemnification and Community Revitalization Endowment all proceeds of any sale of the Commission Allocation pursuant to the provisions of Chapter 482 of the Acts of Assembly of 2002."

Central Appropriations			Item 503 #1c
Central Appropriations	FY 04-05	FY 05-06	
	\$0	(\$277,000,000)	GF

Language:

Page 370, line 1, strike "\$996,889,232" and insert "\$719,889,232".

Page 370, line 5, strike "996,889,232" and insert "719,889,232".

Page 370, strike lines 9 through 11 and insert,

"2. The amounts appropriated in this item provide for a local reimbursement level of 70 percent in tax years 2004 and 2005. The local reimbursement level for tax year 2006 is set at \$950.0 million pursuant to Senate Bill 5005 of the 2004 Special Session. Payments to localities with calendar year 2006 car tax payment due dates prior to July 1, 2006, shall not be reimbursed until after July 1, 2006."

Page 370, strike lines 20 through 24.

Central Appropriations			Item 504 #1c
Central Appropriations	FY 04-05	FY 05-06	
	(\$25,774,963)	(\$130,796,357)	GF

Language:

Page 370, line 26, strike "\$25,774,963" and insert "\$0".

Page 370, line 26, strike "\$130,796,357" and insert "\$0".

Page 370, strike line 25 through line 49 and insert "Omitted."

Central Appropriations			Item 505 #1c
Central Appropriations	FY 04-05	FY 05-06	
	\$1,964,478	\$3,626,505	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$14,023,171".

Page 370, line 50, strike "\$116,397,852" and insert "\$120,024,357".

Page 372, after line 45, insert:

"F. In lieu of the salary increases authorized in paragraphs F to L of this item, each sworn officer of the Virginia Department of State Police shall receive an increase in base salary and related employee benefits of \$1,491 on November 25, 2004. This increase is sufficient, when combined with actions provided for elsewhere in this act, to bring the starting salary for State Troopers to \$32,500 per year."

Page 372, line 46, strike "F" and insert "G".

Page 374, line 26, strike "G" and insert "H".

Page 374, line 34, strike "H" and insert "I".

Page 374, line 42, strike "I" and insert "J".

Page 374, line 53, strike "J" and insert "K".

Page 375, line 18, strike "K" and insert "L".

Page 375, line 23, strike "L" and insert "M".

Page 375, line 29, strike "M" and insert "N".

Page 376, line 6, strike "N" and insert "O".

Page 376, line 13, strike "O" and insert "P".

Central Appropriations			Item 505 #2c
Central Appropriations	FY 04-05	FY 05-06	
	\$752,935	\$1,390,036	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$12,811,628".

Page 370, line 50, strike "\$116,397,852" and insert "\$117,787,888".

Page 376, after line 39, insert:

"P. Out of the amount appropriated for this item, \$752,935 the first year and \$1,390,036 the second year is included for a 2.1 percent competitive salary adjustment effective November 25, 2004, for Justices of the Supreme Court of Virginia and Judges of the Court of Appeals of Virginia, Circuit Courts, General District Courts, Juvenile and Domestic Relations District Courts, Combined District Courts, Commissioners of the State Corporation Commission and Commissioners of the Workers Compensation Commission."

Central Appropriations			Item 505 #3c
Central Appropriations	FY 04-05	FY 05-06	
	\$7,889,355	\$13,602,337	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$19,948,048".

Page 370, line 50, strike "\$116,397,852" and insert "\$130,000,189".

Page 372, after line 45, insert:

"F. In lieu of the salary increases authorized in paragraphs F to L of this Item, sheriffs, deputy sheriffs and regional jail officers shall receive an increase in base salary and related employee benefits equal to 4.82 percent on December 1, 2004."

Page 372, line 46, strike "F" and insert "G".

Page 374, line 26, strike "G" and insert "H".

Page 374, line 34, strike "H" and insert "I".

Page 374, line 42, strike "I" and insert "J".

Page 374, line 53, strike "J" and insert "K".

Page 375, line 18, strike "K" and insert "L".

Page 375, line 23, strike "L" and insert "M".

Page 375, line 29, strike "M" and insert "N".
Page 376, line 6, strike "N" and insert "O".
Page 376, line 13, strike "O" and insert "P".

Central Appropriations			Item 505 #4c
Central Appropriations	FY 04-05	FY 05-06	
	\$27,895,160	\$51,498,743	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$39,953,853".
Page 370, line 50, strike "\$116,397,852" and insert "\$167,896,595".
Page 372, strike lines 46 through 56.
Page 373, strike lines 1 through 44.
Page 374, strike lines 1 through 55.
Page 375, strike lines 1 through 49.
Page 376, strike lines 1 through 39.
Page 372, line 46, insert:

"F.1. The base salary of employees listed in this paragraph shall be increased by three percent on November 25, 2004, for those employees set out in subparagraphs 2.a. through 2.d. of this paragraph. The base salary of employees set out in subparagraph 2.e. of this paragraph shall be increased by three percent on December 1, 2004. This appropriation includes the following estimated amounts for these purposes:

Employee Group	FY 2005	FY 2006
State Employees	\$27,895,160	\$51,498,743

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

a. Executive Department

1. Full-time employees of the Executive Department subject to the Virginia Personnel Act;
2. Full-time employees of the Executive Department not subject to the Virginia Personnel Act, except officials elected by popular vote;
3. Any official whose salary is listed in § 4-6.01 c and d of this act, subject to the ranges specified in the agency head salary levels in § 4-6.01 c; and
4. Full-time professional staff of the Governor's Office, the Lieutenant Governor's Office, the Attorney General's Office, Cabinet Secretaries Offices, including the Deputy Secretaries, the Virginia Liaison Office, and the Secretary of the Commonwealth's Office.

b. Legislative Department

1. Heads of agencies in the Legislative Department;
2. Full-time employees in the Legislative Department, other than officials elected by popular vote; and
3. Secretaries and administrative assistants as provided for in Item 1 of this act.

c. Judicial Department

1. Judges and Justices in the Judicial Department;
2. Heads of agencies in the Judicial Department; and,
3. Full-time employees in the Judicial Department.

d. Independent Agencies

1. Commissioners of the State Corporation Commission and the Virginia Workers' Compensation Commission, the Executive Directors of the Virginia College Savings Plan and the Virginia Office for Protection and Advocacy, and the Directors of the State Lottery Department, and the Virginia Retirement System;

2. Full-time employees of the State Corporation Commission, the Virginia College Savings Plan, the State Lottery Department, Virginia Workers' Compensation Commission, the Virginia Retirement System, and Virginia Office for Protection and Advocacy.

e. State-Supported Local Employees

1. Locally elected constitutional officers, except as provided in paragraph G, of this item;
2. General Registrars and members of local electoral boards;
3. Full-time employees of locally elected constitutional officers, except as provided in paragraph G of this item; and,
4. Full-time employees of Community Services Boards, Centers for Independent Living, secure detention centers supported by Juvenile Block Grants, juvenile delinquency prevention and local court service units, local social services boards, and local health departments where a memorandum of understanding exists with the Virginia Department of Health.

3.a. Employees in the Executive Department subject to the Virginia Personnel Act shall receive the three percent base salary increase authorized in this paragraph only if they attained at least a rating of "Contributor" on their latest performance evaluation.

b. Salary increases for employees listed in paragraphs F.2.a.2. through F.2.a.4. and paragraphs F.2.c. through F.2.d. shall be consistent with the provisions of this paragraph, as determined by the appointing or governing authority. The appointing or governing authority shall certify that employees receiving the awards are performing at levels at least comparable to the eligible employees as set out in the preceding paragraph 3 a.

G.1. To ensure fair and equitable performance reviews, the Department of Human Resource Management is directed to provide performance management training to agencies and institutions of higher education with classified employees.

2. Agency heads in the Executive Department are directed to require appropriate performance management training for all agency supervisors and managers.

H. The Department of Human Resource Management shall increase the minimum and maximum salary for each band within the Commonwealth's Classified Compensation Plan by three percent on November 25, 2004. No salary increase shall be granted to any employee as a result of this action. The Department shall develop policies and procedures to be used in instances where employees fall below the entry level for a job classification due to poor performance. Movement through the revised pay band shall be based on employee performance.

I. The agency heads listed in this paragraph may, at their discretion, utilize the funds provided pursuant to paragraph F of this item to implement the provisions of existing pay plans.

1. The heads of agencies in the Legislative and Judicial Departments;
2. The Commissioners of the State Corporation Commission and the Virginia Workers' Compensation Commission;
3. The Attorney General;
4. The Director of the Virginia Retirement System;
5. The Director of the State Lottery Department;
6. The Director of the University of Virginia Medical Center;
7. The Executive Director of the Virginia College Savings Plan;
8. The Executive Director of the Virginia Port Authority; and
9. The Executive Director of the Virginia Office for Protection and Advocacy.

J. The base rates of pay, and related employee benefits, for wage employees may be increased by up to three percent on November 25, 2004. The cost of such increases for wage employees shall be borne by funds appropriated to each agency.

K. Agencies supported in whole or in part by nongeneral funds shall pay the proportionate share of costs, from nongeneral fund revenues, of wages, salaries, and employee benefits as stated in this item, subject to rules and regulations prescribed by the Governing Authority.”

Central Appropriations			Item 505 #5c
Central Appropriations	FY 04-05	FY 05-06	
	\$12,248,415	\$20,997,283	GF

Language:

- Page 370, line 50, strike “\$12,058,693” and insert “\$24,307,108”.
- Page 370, line 50, strike “\$116,397,852” and insert “\$137,395,135”.
- Page 372, line 52, strike “2005” and insert “2004”.
- Page 372, line 56, strike “\$12,408,550” and insert “\$12,248,415” and “\$20,997,283”.

Central Appropriations			Item 505 #6c
Central Appropriations	FY 04-05	FY 05-06	
	\$0	(\$105,309,298)	GF

Language:

- Page 370, line 50, strike “\$116,397,852” and insert “\$11,088,554”.
- Page 372, strike lines 46 to 56.
- Page 373, strike lines 1 to 44.
- page 374, strike lines 1 to 55.
- Page 375, strike lines 1 to 49.
- Page 376, strike lines 1 to 12.
- Page 376, line 13, strike “O” and insert “7”.

Central Appropriations			Item 505 #7c
Central Appropriations	FY 04-05	FY 05-06	
	(\$28,502,631)	(\$29,741,876)	GF

Language:

- Page 370, line 50, strike “\$12,058,693” and insert “(\$16,443,938)”.
- Page 370, line 50, strike “\$116,397,852” and insert “\$86,655,976”.
- Page 376, strike lines 13 to 39.

Central Appropriations			Item 505 #8c
Central Appropriations	FY 04-05	FY 05-06	
	\$3,183,148	\$4,538,250	GF

Language:

- Page 370, line 50, strike “\$12,058,693” and insert “\$15,241,841”.
- Page 370, line 50, strike “\$116,397,852” and insert “\$120,936,102”.
- Page 372, after line 45, insert:
 “F. Included in the amounts for Compensation Supplements is \$3,183,148 the first year and \$4,538,250 the second year to address salary compression issues for sworn officers of the Virginia Department of State Police effective October 1, 2004.”
- Page 372, line 46, strike “F” and insert “G”.
- Page 374, line 26, strike “G” and insert “H”.
- Page 374, line 34, strike “H” and insert “I”.
- Page 374, line 42, strike “I” and insert “J”.
- Page 374, line 53, strike “J” and insert “K”.

Page 375, line 18, strike "K" and insert "L".
 Page 375, line 23, strike "L" and insert "M".
 Page 375, line 29, strike "M" and insert "N".
 Page 376, line 6, strike "N" and insert "O".
 Page 376, line 13, strike "O" and insert "P".

Central Appropriations			Item 505 #9c
Central Appropriations	FY 04-05	FY 05-06	
	(\$1,423,001)	(\$2,627,079)	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$10,635,692".
 Page 370, line 50, strike "\$116,397,852" and insert "\$113,770,773".

Central Appropriations			Item 505 #10c
Central Appropriations	FY 04-05	FY 05-06	
	(\$4,938,607)	(\$8,466,184)	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$7,120,086".
 Page 370, line 50, strike "\$116,397,852" and insert "\$107,931,668".

Central Appropriations			Item 505 #11c
Central Appropriations	FY 04-05	FY 05-06	
	\$24,909,601	\$27,487,057	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$36,968,294".
 Page 370, line 50, strike "\$116,397,852" and insert "\$143,884,909".
 Page 376, strike lines 13 through 39.

Central Appropriations			Item 505 #12c
Central Appropriations	FY 04-05	FY 05-06	
	\$215,520	\$397,883	GF

Language:

Page 370, line 50, strike "\$12,058,693" and insert "\$12,274,213".
 Page 370, line 50, strike "\$116,397,852" and insert "\$116,795,735".
 Page 376, after line 39, insert:
 "P. Included in the amounts for Compensation Supplements is \$215,520 the first year and \$397,883 the second year to address salary compression issues for sworn officers and communications operators of the Division of Capitol Police, effective November 25, 2004. The Chief of the Capitol Police shall report to the Committee on Joint Rules prior to November 25, 2004, regarding the Division's plan to address salary compression and entry level salary issues for sworn officers and communications operators."

Central Appropriations			Item 505 #13c
Central Appropriations	FY 04-05	FY 05-06	
	\$0	\$26,628,568	GF

Language:

Page 370, line 50, strike "\$116,397,852" and insert "\$143,026,420".
 Page 376, after line 39, insert:

“P. Included in the amounts for Compensation supplements is \$26,628,568 which shall be used to provide a salary increase for public employees in the 2005-2006 fiscal year.”

Central Appropriations			Item 506 #1c
Central Appropriations			Language

Language:

Page 378, line 9, after “law.”, insert:

“In accordance with Chapters 1019 and 1044 of the Acts of Assembly of 2000, the project list is amended to include state road improvements for the APM terminal to address costs beyond the funding capability of existing programs.”

Central Appropriations			Item 506 #2c
Central Appropriations	FY 04-05	FY 05-06	
	\$0	(\$1,000,000)	GF

Language:

Page 376, line 40, strike “\$25,784,869” and insert “\$24,784,869”.

Page 377, line 31, strike “\$10,000,000” and insert “\$9,000,000”.

Central Appropriations			Item 506 #3c
Central Appropriations	FY 04-05	FY 05-06	
	(\$1,000,000)	\$0	GF

Language:

Page 376, line 40, strike “\$28,999,720” and insert “\$27,999,720”.

Page 377, line 30, strike “\$13,000,000” and insert “\$12,000,000”.

Central Appropriations			Item 506 #4c
Central Appropriations	FY 04-05	FY 05-06	
	(\$6,392,319)	(\$6,392,319)	GF

Language:

Page 376, line 40, strike “\$28,999,720” and insert “\$22,607,401”.

Page 376, line 40, strike “\$25,784,869” and insert “\$19,392,550”.

Page 378, strike lines 24 through 32.

Page 378, line 33, strike “G” and insert “F”.

Page 378, line 40, strike “H” and insert “G”.

Page 378, line 45, strike “I” and insert “H”.

Page 379, line 26, strike “J” and insert “I”.

Central Appropriations			Item 506 #5c
Central Appropriations			Language

Language:

Page 377, line 4, strike “4-1.03 a 3” and insert “4-1.03 c 5”.

Central Appropriations			Item 506 #6c
Central Appropriations	FY 04-05	FY 05-06	
	\$1,877,758	\$0	GF

Language:

Page 376, line 40, strike "\$28,999,720" and insert "\$30,877,478".

Page 377, line 30, strike "\$13,000,000" and insert "\$14,877,758".

Page 378, after line 23, insert:

"6. Out of the first year appropriation for the Governor's Development Opportunity Fund, \$1,877,758 shall be unallotted and reserved for the solar photovoltaic manufacturing incentive grant program in accordance with § 45.1-392, Code of Virginia. These funds shall not be released by the Department of Planning and Budget until the Secretary of Commerce and Trade and the Auditor of Public Accounts certify to the Governor and to the Chairmen of the Senate Finance and House Appropriations Committees that the applicant for the funds met the program's statutory requirements. If the Secretary and Auditor certify that the applicant did not meet the requirements, then the funds shall be allotted for the purposes set out in § 2.2-115, Code of Virginia."

Central Appropriations			Item 506 #7c
Central Appropriations	FY 04-05	FY 05-06	
	\$238,500	\$281,200	GF

Language:

Page 376, line 40, strike "\$28,999,720" and insert "\$29,238,220".

Page 376, line 40, strike "\$25,784,869" and insert "\$26,066,069".

Page 379, after line 39, insert:

"L. Out of this appropriation, \$238,500 the first year and \$281,200 the second year from the general fund is provided for the Department of General Services rent plan for unanticipated utility cost increases at the seat of government."

Central Appropriations			Item 506 #8c
Central Appropriations	FY 04-05	FY 05-06	
	\$252,599	(\$252,599)	GF

Language:

Page 376, line 40, strike "\$28,999,720" and insert "\$29,252,319".

Page 376, line 40, strike "\$25,784,869" and insert "\$25,532,270".

Page 378, line 41, strike "\$637,401" and insert "\$890,000".

Page 378, line 42, strike "\$422,550" and insert "\$169,651".

Central Appropriations			Item 507 #1c
Central Appropriations			Language

Language:

Page 379, line 50, strike "the expenditure of".

Page 379, line 52, after "fund", insert "is provided".

Page 380, line 2, strike "is contingent upon the passage into law of the".

Page 380, strike line 3 through line 5 and insert "."

Central Appropriations			Item 507 #2c
Central Appropriations	FY 04-05	FY 05-06	
	\$0	(\$250,000)	GF

Language:

Page 379, line 41, strike "\$2,754,359" and insert "\$2,504,359".

Page 379, strike lines 43 through 49 and insert:

“A.1. This appropriation includes \$2,510,000 the first year and \$2,260,000 the second year from the general fund for implementing the Statewide Agencies Radio System (STARS) project.

2. The Secretary of Public Safety, in conjunction with the STARS Management Group and the Superintendent of State Police, shall provide a report on (1) the scope of the STARS contract; (2) projected total costs for the system, including project management costs and expected annual operating costs; (3) proposed communications technologies and system capabilities; (4) the status of site acquisition to support the system; (5) the role of project management and a description of the project management plan; (6) an outline of the project timelines for implementing the system; and (7) other matters as the Secretary may deem appropriate. This report shall be provided to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than October 1, 2004.”

Independent Agencies			Item 510 #1c
State Corporation Commission	FY 04-05	FY 05-06	
	(\$700,000)	(\$1,400,000)	NGF

Language:

Page 382, line 35, strike “\$11,300,000” and insert “\$10,600,000”.

Page 382, line 35, strike “\$12,000,000” and insert “\$10,600,000”.

Independent Agencies			Item 513 #1c
State Corporation Commission	FY 04-05	FY 05-06	
	\$10,000	\$10,000	NGF

Language:

Page 383, line 5, strike “\$24,214,998” and insert “\$24,224,998”.

Page 383, line 5, strike “\$24,009,640” and insert “\$24,019,640”.

Page 383, after line 10, insert:

“Out of the amounts appropriated to this item, the Commission is authorized to expend an amount not to exceed \$10,000 the first year and \$10,000 the second year for the payment of annual membership dues to the National Conference of Insurance Legislators.”

Independent Agencies			Item 522 #1c
Virginia Retirement System	FY 04-05	FY 05-06	
	\$200,000	\$0	NGF

Language:

Page 386, line 2, strike “\$22,651,837” and insert “\$22,851,837”.

Independent Agencies			Item 522 #2c
Virginia Retirement System	FY 04-05	FY 05-06	
	(\$172,000)	(\$172,000)	GF

Language:

Page 386, line 2, strike “\$22,651,837” and insert “\$22,479,837”.

Page 386, line 2, strike “\$23,943,701” and insert “\$23,771,701”.

Page 386, line 25, strike “\$250,000” and insert “\$78,000”.

Independent Agencies			Item 522 #3c
Virginia Retirement System			
			Language

Language:

Page 386, after line 34, insert:

“E. Any person included in the membership of a retirement system provided by Chapter 1 (§ 51.1-124.1 et seq.), 2 (§ 51.1-200 et seq.), 2.1 (§ 51.1-211 et seq.), or 3 (§ 51.1-300 et seq.) of Title 51.1, Code of Virginia, who (i) rendered at least 15 years of total creditable service as a local officer as defined in § 51.1-124.3 or as an employee of a local social services board and (ii) after terminating service as a local officer or employee of a local social service board, was employed by a local government that does not elect to provide a health insurance credit under § 51.1-1402, shall be eligible for the credit provided by § 51.1-1403, provided that the retired employee is participating in a health insurance plan. The Commonwealth shall be charged with the credit as provided for in subsection A of § 51.1-1403. In such case, the health insurance credit shall be determined based upon the amount of state service or service as a local officer or employee of a local social service board, whichever is greater.”

General Conditions

Item C-0 #1c

General Conditions

Language

Language:

Page 393, after line 14, insert:

“L. Conditions Applicable to Alternative Financing

1. Any agency or institution of the Commonwealth that would construct, purchase, lease, or exchange a capital asset by means of an alternative financing mechanism, such as the Public Private Education Infrastructure Act, or similar statutory authority, shall provide a report to the Governor and the Chairmen of the Senate Finance and House Appropriations Committees no less than 30 days prior to entering into such alternative financing agreement. This report shall provide:

- a. a description of the purpose to be achieved by the proposal;
- b. a description of the financing options available, including the alternative financing, which will delineate the revenue streams or client populations pledged or encumbered by the alternative financing;
- c. an analysis of the alternatives clearly setting out the advantages and disadvantages of each for the Commonwealth;
- d. an analysis of the alternatives clearly setting out the advantages and disadvantages of each for the clients of the agency or institution; and
- e. a recommendation and planned course of action based on this analysis.”

General Conditions

Item C-0 #2c

General Conditions

Language

Language:

Page 393, after line 14, insert:

“L. Conditions Applicable to Alternative Financing

1. The following authorizations to construct, purchase, lease or exchange a capital asset by means of an alternative financing mechanism, such as the Public Private Education Infrastructure Act, or similar statutory authority, are continued until revoked:

Agency	Item	Appropriations Act
a. James Madison University	Item C-24.30	Chapter 1042
b. Longwood University	Item C-25.05	Chapter 1042
c. Norfolk State University	Item C-28.30	Chapter 1042
d. Norfolk State University	Item C-28.35	Chapter 1042

e. Old Dominion University	Item C-30.10	Chapter 1042
f. Science Museum of Virginia	Item C-96.10	Chapter 1042
g. Department of Social Services	Item C-102	Chapter 1042”.

General Conditions	Item C-0 #3c
General Conditions	Language

Language:

Page 393, after line 14, insert:

“L. Conditions Applicable to Alternative Financing

1. The following individuals, and members of their immediate family, may not engage in an alternative financing arrangement with any agency or institution of the Commonwealth, where the potential for financial gain, or other factors may cause a conflict of interest:

- a. A member of the agency or institution's governing body;
- b. Any elected or appointed official of the Commonwealth or its agencies and institutions who has, or reasonably can be assumed to have, a direct influence on the approval of the alternative financing arrangement; or
- c. Any elected or appointed official of a participating political subdivision, or authority who has, or reasonably can be assumed to have, a direct influence on the approval of the alternative financing arrangement.”

Administration			Item C-3.10 #1c
Department Of General Services	FY 04-05	FY 05-06	
	\$0	\$2,497,000	NGF

Language:

Page 393, after line 25, insert:

“C-3.10. New Construction: Phase I: Replacement of the 8th and 9th Street

 Office Buildings

Fund Sources: Bond Proceeds

Commerce And Trade			Item C-5 #1c
Department Of Agriculture And Consumer Services	FY 04-05	FY 05-06	
	(\$264,000)	(\$463,000)	NGF

Language:

Page 393, line 40, strike “\$264,000” and insert “\$0”.

Page 393, line 40, strike “\$463,000” and insert “\$0”.

Page 393, after line 41, insert:

“The Department of Agriculture and Consumer Services may examine the financial feasibility of using revenue supported bonds issued by the Virginia Public Building Authority to construct a marketing office on the Eastern Shore.”

Commerce And Trade			Item C-6.10 #1c
Department Of Forestry	FY 04-05	FY 05-06	
	\$546,000	\$0	NGF

Language:

Page 394, after line 6, insert:

“C-6.10. New Construction: Abingdon Shop and Cold Storage \$546,000
 Fund Sources: Bond Proceeds \$546,000”.

Commerce And Trade			Item C-6.10 #2c
Department Of Forestry	FY 04-05	FY 05-06	
	\$1,076,000	\$0	NGF

Language:

Page 394, after line 6, insert:
 “C-6.10. New Construction: Area Offices in Grayson and Carroll Counties \$1,076,000
 Fund Sources: Bond Proceeds \$1,076,000”.

Education: Higher Education			Item C-11.10 #1c
Christopher Newport University	FY 04-05	FY 05-06	
	\$3,400,000	\$0	NGF

Language:

Page 394, after line 36, insert:
 “C-11.10. New Construction: Construct Student Center \$3,400,000
 Fund Sources: Bond Proceeds \$3,400,000”.
 “This project provides supplemental funding for the construction of a new student center at Christopher Newport University due to higher than anticipated construction bids. The project was originally authorized in Item C-5, Chapter 943, of the Acts of Assembly of 2004.”

Education: Higher Education			Item C-15.10 #1c
The College Of William And Mary In Virginia	FY 04-05	FY 05-06	
	\$40,000,000	\$0	NGF

Language:

Page 395, after line 13, insert:
 “C-15.10. New Construction: School of Business Building (16648) \$40,000,000 \$0
 Fund Sources: Debt Service \$40,000,000”. \$0”.
 Bond Proceeds

- “1. Subject to Section 4-4.01x of this act and approval of a Final Project Proposal by the Secretaries of Finance and Administration, the General Assembly authorizes the College of William and Mary with the approval of the Governor, to explore and evaluate an alternative financing scenario to support construction of a new school of business facility on the main campus of the College.
2. The General Assembly authorizes the College of William and Mary to enter into a written agreement with the School of Business Foundation or other private entity to design, construct and finance a facility to provide classroom, faculty office, and other operational related academic and support space for the College's School of Business. The facility may be located on property owned by the Commonwealth of Virginia. The College of William and Mary is also authorized to enter into a written agreement with the School of Business Foundation or other private entity to lease a suitable site to the Foundation or private entity and to lease the facility from the Foundation or private entity once constructed.
3. The General Assembly further authorizes the College of William and Mary to enter into a written agreement with the School of Business Foundation or other private entity for the support of the facility by including the facility in the College's facility inventory and managing its operation and maintenance, and by otherwise supporting the facility consistent with law, provided that the College shall not be required to take any action that would constitute a breach of the College's obligations under any documents or other instruments constituting or securing bonds or other indebtedness of the College or the Commonwealth of Virginia.

4. The General Assembly further states its intent to permit construction of this project in accordance with state law, the College's nongeneral fund decentralization Memorandum of Understanding with the Secretaries of Administration and Finance, and with agreement by the School of Business Foundation or other private entity to provide from private funds a substantial majority of the cost of the project and the funds necessary to retire any related debt service.

5. The College shall be responsible for ensuring all debt service payments on this project from private funds and student fees.”

Education: Higher Education			Item C-15.10 #2c
The College Of William And Mary In Virginia	FY 04-05	FY 05-06	
	\$2,821,000	\$0	NGF

Language:

Page 395, after line 13, insert:

“C-15.10. New Construction: Parking Deck Supplement \$2,821,000
 Fund Sources: Bond Proceeds \$2,821,000”.

Education: Higher Education			Item C-15.10 #3c
The College Of William And Mary In Virginia	FY 04-05	FY 05-06	
	\$1,600,000	\$0	NGF

Language:

Page 395, after line 13, insert:

“C-15.10. Acquisition: Emergency Generators \$1,600,000
 Fund Sources: Bond Proceeds \$1,600,000”.

Education: Higher Education			Item C-16.10 #1c
Richard Bland College			
			Language

Language:

Page 395, after line 21, insert:

“C-16.10.

The General Assembly authorizes Richard Bland College to enter into a written agreement with its affiliated foundation to construct one or more facilities to provide on-campus housing on College land to be leased to said foundation for such purposes. Richard Bland College is also authorized to enter into a written agreement with said foundation for the support of such student housing facilities and management of the operation and maintenance of the same.”

Education: Higher Education			Item C-17.10 #1c
Virginia Institute Of Marine Science	FY 04-05	FY 05-06	
	\$0	\$0	GF
	\$2,000,000	\$0	NGF

Language:

Page 395, after line 27, insert:

“C-17.10. New Construction: Field Support Center \$2,000,000 \$0
 Fund Sources: Higher Education Operating \$280,000 \$0”.
 Bond Proceeds \$1,720,000”.

Education: Higher Education			Item C-17.10 #2c
Virginia Institute Of Marine Science	FY 04-05	FY 05-06	
	\$2,000,000	\$0	NGF

Language:

Page 395, after line 27, insert:

“C-17.10.Improvements: Maury Hall Renovation \$2,000,000
 Fund Sources: Higher Education Operating \$2,000,000”.

Education: Higher Education Item C-18 #1c
 George Mason University

Language

Language:

Page 395, after line 33, insert:

1. The General Assembly authorizes George Mason University, with approval of the Governor, to explore and evaluate an alternative financing scenario to provide an addition to the existing Krasnow Institute. This project must be consistent with the Virginia Uniform Statewide Building Code 7 of October 1, 2003, and comply with Treasury Board Guidelines pursuant to § 23-19(d)(4), Code of Virginia, and subsequent amendments thereto.
2. The General Assembly authorizes George Mason University to enter into written agreement with a public or private entity to design, construct and finance an addition to the existing Krasnow Institute. The addition may be located on property owned by the Commonwealth. All project proposals and approvals shall be in accordance with the guidelines cited in paragraph 1 of this item.
3. In the event the Krasnow Institute project is financed through alternative financing and is constructed on land owned by or leased to a private University-related foundation, or owned by or leased to a private entity, such project shall continue to be exempt from all requirements of any county or city zoning ordinances, and such project may be administered in accordance with a Memorandum of Understanding with the Secretaries of Administration and Finance.
4. Authority provided for this project is not intended to provide blanket delegation of authority for all nongeneral fund projects. Delegation of authority for nongeneral fund projects may be granted on a pilot basis by the Secretary of Administration as specified in § 4-5.08, Delegation of Authority, of this act”.

Education: Higher Education Item C-29.10 #1c
 George Mason University
 FY 04-05 FY 05-06
 \$1,750,000 \$0 NGF

Language:

Page 397, after line 3, insert:

“C-29.10. New Construction: Prince William IIIA Supplement \$1,750,000
 Fund Sources: Bond Proceeds \$1,750,000”.

Education: Higher Education Item C-29.10 #2c
 George Mason University

Language

Language:

Page 397, after line 3, insert:

“C-29.10.

1. The General Assembly authorizes George Mason University, with approval of the Governor, to explore and evaluate an alternative financing scenario to provide a Conference Center for the Institute for Conflict Analysis and Resolution. This project must be consistent with the Virginia Uniform Statewide Building Code 7 of October 1, 2003, and comply with Treasury Board Guidelines pursuant to § 23-19(d)(4), Code of Virginia, and subsequent amendments thereto.

2. The General Assembly authorizes George Mason University to enter into written agreement with a public or private entity to design, construct and finance a Conference Center for the Institute for Conflict Analysis and Resolution. The Conference Center may be located on property owned by the Commonwealth. All project proposals and approvals shall be in accordance with the guidelines cited in paragraph 1 of this item.

3. In the event the Conference Center for the Institute for Conflict Analysis and Resolution financed through alternative financing and is constructed on land owned by or leased to a private University-related foundation, or owned by or leased to a private entity, such project shall continue to be exempt from all requirements of any county or city zoning ordinances, and such project may be administered in accordance with a Memorandum of Understanding with the Secretaries of Administration and Finance.

4. Authority provided for this project is not intended to provide blanket delegation of authority for all nongeneral fund projects. Delegation of authority for nongeneral fund projects may be granted on a pilot basis by the Secretary of Administration as specified in § 4-5.08, Delegation of Authority, of this act.”

Education: Higher Education			Item C-29.10 #3c
George Mason University	FY 04-05	FY 05-06	
	\$2,050,000	\$0	NGF

Language:

Page 397, after line 3, insert:

“C-29.10. New Construction: Patriot Center Supplement	\$2,050,000
Fund Sources: Higher Education Operating	\$2,050,000”.

Education: Higher Education			Item C-29.10 #4c
George Mason University	FY 04-05	FY 05-06	
	\$1,500,000	\$0	NGF

Language:

Page 397, after line 3, insert:

“C-29.10. New Construction: Center for the Arts	\$1,500,000
Fund Sources: Higher Education Operating	\$1,500,000”.

Education: Higher Education			Item C-29.10 #5c
George Mason University	FY 04-05	FY 05-06	
	\$3,325,000	\$0	NGF

Language:

Page 397, after line 3, insert:

“C-29.10. Improvements: North Loop Utility Infrastructure Supplement	\$3,325,000
Fund Sources: Bond Proceeds	\$3,325,000”.

Education: Higher Education			Item C-34.10 #1c
James Madison University	FY 04-05	FY 05-06	
	\$8,000,000	\$0	NGF

Language:

Page 397, after line 26, insert:

“C-34.10. New Construction: Multipurpose Recreational Fields	\$8,000,000	\$0
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Fund Sources: Bond Proceeds \$8,000,000". \$0".

Education: Higher Education			Item C-34.10 #2c
James Madison University	FY 04-05	FY 05-06	
	\$13,600,000	\$0	NGF

Language:

Page 397, after line 26, insert:
 "C-34.10. New Construction: Parking Deck \$13,600,000 \$0
 Fund Sources: Higher Education Operating \$5,000,000 \$0".
 Bond Proceeds \$8,600,000".

Education: Higher Education			Item C-39 #1c
Mary Washington College	FY 04-05	FY 05-06	
	\$5,000,000	\$0	NGF

Language:

Page 398, line 9, strike "\$20,000,000" and insert "\$25,000,000".

Education: Higher Education			Item C-39 #2c
Mary Washington College			
			Language

Language:

Page 398, line 7, strike "MARY WASHINGTON COLLEGE" and insert:
 "UNIVERSITY OF MARY WASHINGTON".
 Page 398, line 16, strike "Mary Washington College" and insert:
 "University of Mary Washington".

Education: Higher Education			Item C-40 #1c
Mary Washington College	FY 04-05	FY 05-06	
	\$1,000,000	\$0	NGF

Language:

Page 398, line 11, strike "\$5,000,000" and insert "\$6,000,000".

Education: Higher Education			Item C-41.10 #1c
Mary Washington College	FY 04-05	FY 05-06	
	\$1,500,000	\$0	NGF

Language:

Page 398, after line 15, insert:
 "C-41.10. Improvements: Dodd Hall Auditorium Renovation \$1,500,000
 Fund Sources: Bond Proceeds \$1,500,000".

Education: Higher Education			Item C-41.10 #2c
Mary Washington College	FY 04-05	FY 05-06	
	\$1,100,000	\$0	NGF

Language:

Page 398, after line 15, insert:
 "C-41.10. Acquisition: Property Acquisition \$1,100,000

Fund Sources: Higher Education Operating \$1,100,000”.

Education: Higher Education			Item C-41.10 #3c
Mary Washington College	FY 04-05	FY 05-06	
	\$1,500,000	\$1,500,000	NGF

Language:

Page 398, after line 15, insert:
 “C-41.10. New Construction: Bell Tower \$1,500,000 \$1,500,000
 Fund Sources: Higher Education Operating \$1,500,000”.

Education: Higher Education			Item C-43.10 #1c
Norfolk State University	FY 04-05	FY 05-06	
	\$0	\$3,850,000	NGF

Language:

Page 398, after line 25, insert:
 “C-43.10. New Construction: Police and Public Safety Building \$3,850,000
 Fund Sources: Bond Proceeds \$3,850,000”.

Education: Higher Education			Item C-46 #1c
Old Dominion University	FY 04-05	FY 05-06	
	(\$2,287,000)	\$0	NGF

Language:

Page 399, line 2, strike “\$6,860,000” and insert “\$4,573,000”.

Education: Higher Education			Item C-52.10 #1c
Old Dominion University			
			Language

Language:

Page 399, after line 26, insert:
 “C-52.10. New Construction: Recreational Facilities and Infrastructure
 The General Assembly authorizes Old Dominion University to enter into a written agreement with the City of Norfolk for the development of recreational facilities, off-street parking, and associated infrastructure adjacent to the University where the City plans to develop a public golf course and a stadium for the joint usage for several public high schools as well as the University. The University is authorized to convey parcels of land to the City of Norfolk and/or the Norfolk Redevelopment & Housing Authority for the purpose of constructing these recreational facilities, including necessary off-street parking, street improvements, and associated infrastructure consistent with the City's and University's master plans. In addition, the University is further authorized to convey to the City and/or Norfolk Redevelopment & Housing Authority residual parcels of land south of 43rd Street for the purpose of constructing market rate housing. Any and all such conveyances shall be upon terms satisfactory to the University.”

Education: Higher Education			Item C-52.10 #2c
Old Dominion University	FY 04-05	FY 05-06	
	\$1,020,869	\$0	NGF

Language:

Page 399, after line 26, insert:
 “C-52.10. Improvements: 43rd Street Improvements \$1,020,869 \$0

Fund Sources: Higher Education Operating \$1,020,869". \$0".

Education: Higher Education			Item C-52.10 #3c
Old Dominion University	FY 04-05	FY 05-06	
	\$16,500,000	\$0	NGF

Language:

Page 399, after line 26, insert:

“C-52.10. Improvements: Health and Physical Education Building Renovation and Addition	\$16,500,000	\$0
Fund Sources: Bond Proceeds	\$16,500,000".	\$0".

Education: Higher Education			Item C-55.10 #1c
Radford University	FY 04-05	FY 05-06	
	\$670,000	\$0	NGF

Language:

Page 399, after line 39, insert:

“C-55.10. Planning: Heth Hall Renovation	\$670,000
Fund Sources: Higher Education Operating	\$670,000".

Education: Higher Education		Item C-58 #1c
University Of Virginia		

Language

Language:

Page 400, after line 12, insert:

“Notwithstanding any other provision of law, the University is hereby authorized to enter into a contract to upgrade the main heating plant for environmental compliance. It is anticipated that sufficient appropriation will be provided in future fiscal years to cover all phases of the project as specified in the final contract.”

Education: Higher Education		Item C-67 #1c
University Of Virginia		

Language

Language:

Page 400, strike lines 37 through 39 and insert “Omitted”.

Page 401, strike lines 1 through 6.

Education: Higher Education			Item C-67.10 #1c
University Of Virginia	FY 04-05	FY 05-06	
	\$3,500,000	\$0	NGF

Language:

Page 401, after line 6, insert:

“C-67.10. New Construction: Campbell Hall Addition Supplement	\$3,500,000	\$0
Fund Sources: Higher Education Operating	\$3,500,000".	\$0".

Education: Higher Education			Item C-67.10 #2c
University Of Virginia	FY 04-05	FY 05-06	
	\$2,200,000	\$0	NGF

Language:

Page 401, after line 6, insert:

“C-67.10. Improvements: Renovate Varsity Hall	\$2,200,000	\$0
Fund Sources: Higher Education Operating	\$2,200,000”.	\$0”.

Education: Higher Education			Item C-67.10 #3c
University Of Virginia	FY 04-05	FY 05-06	
	\$15,000,000	\$0	NGF

Language:

Page 401, after line 6, insert:

“C-67.10. Acquisition: Advanced Research Technology Facility	\$15,000,000	\$0
Fund Sources: Bond Proceeds	\$15,000,000”.	\$0”.

Education: Higher Education			Item C-67.10 #4c
University Of Virginia	FY 04-05	FY 05-06	
	\$0	\$6,000,000	NGF

Language:

Page 401, after line 6, insert:

“C-67.10. Improvements: McLeod Hall Addition	\$0	\$6,000,000
Fund Sources: Bond Proceeds	\$0”.	\$6,000,000”.

Education: Higher Education			Item C-71.10 #1c
University Of Virginia Medical Center	FY 04-05	FY 05-06	
	\$24,000,000	\$0	NGF

Language:

Page 401, after line 23, insert:

“C-71.10. Improvements: Hospital Expansion	\$24,000,000	\$0
Fund Sources: Bond Proceeds	\$24,000,000”.	\$0”.

Education: Higher Education			Item C-74 #1c
University Of Virginia's College At Wise			
			Language

Language:

Page 401, line 36, strike “Bond Proceeds” and insert:

“Higher Education Operating”.

Page 401, after line 36, insert:

“This project shall be funded from \$799,000 in Higher Education Operating Funds.”

Education: Higher Education			Item C-80.10 #1c
Virginia Commonwealth University	FY 04-05	FY 05-06	
	\$15,300,000	\$0	NGF

Language:

Page 402, after line 23, insert:

“C-80.10. New Construction: New School of Business	\$15,300,000	\$0
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Fund Sources: Bond Proceeds \$15,300,000". \$0".

Education: Higher Education Item C-80.30 #1c
 Virginia Commonwealth University FY 04-05 FY 05-06
 \$0 \$14,000,000 NGF

Language:

Page 402, after line 23, insert:
 "C-80.30. New Construction: Monroe Campus Parking Deck \$0 \$14,000,000
 Fund Sources: Bond Proceeds \$0". \$14,000,000".

Education: Higher Education Item C-80.40 #1c
 Virginia Commonwealth University FY 04-05 FY 05-06
 \$5,000,000 \$0 NGF

Language:

Page 402, after line 23, insert:
 "C-80.40. Improvements: Renovate Hunton Hall \$5,000,000 \$0
 Fund Sources: Bond Proceeds \$5,000,000". \$0".

Education: Higher Education Item C-82 #1c
 Virginia Commonwealth University FY 04-05 FY 05-06
 \$3,000,000 \$0 NGF

Language:

Page 402, line 29, strike "\$11,308,000" and insert "\$14,308,000".

Education: Higher Education Item C-84 #1c
 Virginia Commonwealth University
 Language

Language:

Page 402, line 34, strike "\$2,500,000" and insert "\$5,000,000".
 Page 402, strike line 35.

Education: Higher Education Item C-98 #1c
 Virginia Community College System FY 04-05 FY 05-06
 (\$725,000) \$0 NGF

Language:

Page 404, line 25, strike "\$725,000" and insert "\$0".
 Page 404, strike lines 24 through 27 and insert "Omitted."

Education: Higher Education Item C-106.10 #1c
 Virginia Community College System FY 04-05 FY 05-06
 \$492,000 \$0 NGF

Language:

Page 405, after line 14, insert:
 "C-106.10. New Construction: Ernst Community Cultural Center Loading
 Dock, Northern Virginia (Annandale) \$492,000

Fund Sources: Trust and Agency \$492,000”.

Education: Higher Education			Item C-106.10 #2c
Virginia Community College System	FY 04-05	FY 05-06	
	\$540,000	\$0	NGF

Language:

Page 405, after line 14, insert:
 “C-106.10. New Construction: New Police Station, Northern Virginia (Annandale) \$540,000
 Fund Sources: Trust and Agency \$540,000”.

Education: Higher Education			Item C-108.10 #1c
Virginia Community College System	FY 04-05	FY 05-06	
	\$400,000	\$0	NGF

Language:

Page 405, after line 33, insert:
 “C-108.10. Improvements: Bookstore, Blue Ridge Community College \$400,000
 Fund Sources: Higher Education Operating \$400,000”.

Education: Higher Education			Item C-108.10 #2c
Virginia Community College System	FY 04-05	FY 05-06	
	\$1,834,000	\$0	NGF

Language:

Page 405, after line 33, insert:
 “C-108.10. New Construction: Construct Science Building Addition,
 Blue Ridge Community College \$1,834,000
 Fund Sources: Bond Proceeds \$1,834,000”.

Education: Higher Education			Item C-108.10 #3c
Virginia Community College System	FY 04-05	FY 05-06	
	\$750,000	\$0	NGF

Language:

Page 405, after line 33, insert:
 “C-108.10. Improvements: Lab Renovations, Central Virginia \$750,000 \$0
 Fund Sources: Bond Proceeds \$750,000”.

Education: Higher Education			Item C-108.10 #4c
Virginia Community College System	FY 04-05	FY 05-06	
	\$0	\$9,149,475	NGF

Language:

Page 405, after line 33, insert:
 “C-108.10. Improvements: Major Building Systems Repair and Replacement \$9,149,475
 Fund Sources: Bond Proceeds \$9,149,475”.

Education: Higher Education			Item C-108.10 #5c
Virginia Community College System	FY 04-05	FY 05-06	
	\$0	\$4,160,000	NGF

Language:

Page 405, after line 33, insert:

“C-108.10. New Construction: Blackwater Building, Tidewater Community College \$4,160,000
 Fund Sources: Bond Proceeds \$4,160,000”.

Education: Higher Education			Item C-108.10 #6c
Virginia Community College System	FY 04-05	FY 05-06	
	\$1,465,290	\$0	NGF

Language:

Page 405, after line 33, insert:

“C-119.10. Improvements: Renovate the Top Floor of Galax Hall, Wytheville Community College \$1,465,290
 Fund Sources: Bond Proceeds \$1,465,290”.

Education: Higher Education			Item C-119.10 #1c
Virginia Military Institute	FY 04-05	FY 05-06	
	\$18,200,000	\$0	NGF

Language:

Page 408, after line 30, insert:

“C-119.10. Improvements: Renovate Kilbourne Hall Complex \$18,200,000 \$0
 Fund Sources: Higher Education Operating \$9,100,000 \$0”.
 Bond Proceeds \$9,100,000”.

Education: Higher Education			Item C-122.10 #1c
Virginia Polytechnic Institute And State University	FY 04-05	FY 05-06	
	\$2,750,000	\$0	NGF

Language:

Page 408, after line 45, insert:

“C-122.10. Planning: Renovation of Campus Heating Plant \$2,750,000
 Fund Sources: Higher Education Operating \$2,750,000”.

Education: Higher Education			Item C-125 #1c
Virginia State University			

Language

Language:

Page 409, line 21, strike “Bond Proceeds” and insert:

“Higher Education Operating”.

Education: Higher Education			Item C-125.10 #1c
Frontier Culture Museum Of Virginia	FY 04-05	FY 05-06	
	\$0	\$375,000	NGF

Language:

Page 409, after line 24, insert:

“C-125.10. New Construction: Site Improvements Wetlands Mill and Bowman House Sites \$375,000

Fund Sources: Bond Proceeds \$375,000”.

Education: Other			Item C-131.10 #1c
Jamestown-Yorktown Foundation	FY 04-05	FY 05-06	
	\$950,000	\$0	NGF

Language:

Page 410, after line 4, insert:
 “C-131.10. New Construction: Jamestown Ships \$950,000 \$0
 Fund Sources: Bond Proceeds \$950,000”.

Education: Other			Item C-131.10 #2c
Jamestown-Yorktown Foundation	FY 04-05	FY 05-06	
	\$585,000	\$0	NGF

Language:

Page 410, after line 4, insert:
 “C-131.10. Improvements: Mathews Gallery Lighting \$585,000 \$0
 Fund Sources: Bond Proceeds \$585,000”.

Education: Other			Item C-133.10 #1c
The Science Museum Of Virginia	FY 04-05	FY 05-06	
	\$0	\$500,000	NGF

Language:

Page 410, after line 22, insert:
 “C-133.10. Improvements: Replace Exhibits \$500,000
 Fund Sources: Bond Proceeds \$500,000”.

Education: Other			Item C-135.10 #1c
Virginia Museum Of Fine Arts	FY 04-05	FY 05-06	
	\$1,792,000	\$0	NGF

Language:

Page 410, after line 22, insert:
 “C-135.10. Improvements: Upgrade Security System \$1,792,000
 Fund Sources: Bond Proceeds \$1,792,000”.

Health And Human Resources			Item C-137 #1c
Department Of Mental Health, Mental	FY 04-05	FY 05-06	
Retardation And Substance Abuse	(\$9,500,000)	(\$22,300,000)	NGF
Services			

Language:

Page 411, line 11, strike “\$9,500,000” and insert “\$0”.
 Page 411, line 11, strike “\$22,300,000” and insert “\$0”.
 Page 411, strike lines 10 through 12 and insert “Omitted.”

Natural Resources			Item C-154.10 #1c
Virginia Museum Of Natural History	FY 04-05	FY 05-06	
	\$0	\$2,000,000	NGF

Language:

Page 410, after line 22, insert:

“C-154.10. Acquisition: Exhibits for the New Museum Building \$2,000,000
 Fund Sources: Bond Proceeds \$2,000,000”.
 The funds appropriated in this item shall be matched by an equal amount of nongeneral funds raised locally.”

Public Safety			Item C-161 #1c
Department Of Corrections, Central	FY 04-05	FY 05-06	
Activities	\$6,261,000	\$0	NGF

Language:

Page 415, line 2, strike “\$62,384,000” and insert “\$68,645,000”.

Page 415, line 1, strike “prison” and insert:
 “Correctional Facility in Tazewell County”.

Public Safety			Item C-161.10 #1c
Department Of Corrections, Central	FY 04-05	FY 05-06	
Activities	\$73,553,000	\$0	NGF

Language:

Page 415, after line 3, insert:

“C-161.10. New Construction: Construct Medium Security Correctional Facility in Pittsylvania County \$73,553,000
 Fund Sources: Bond Proceeds \$73,553,000”.

“Prior to beginning this project, the Secretary of Public Safety shall certify to the Chairman of the House Appropriations and Senate Finance Committees the need for the medium security correctional facility in Pittsylvania County. The Secretary's certification shall be based on the forecast of state-responsible inmates from the Offender Population Report.”

Public Safety			Item C-163 #1c
Department Of Corrections, Central Activities			Language

Language:

Page 415, after line 9, insert:

“It is the intent of the General Assembly that the Department of Corrections' dairy barn operation shall not expand its client base for any dairy product line other than milk production. This expanded milk production client base shall be limited to public safety governmental entities.”

Transportation			Item C-169.10 #1c
Department Of Motor Vehicles	FY 04-05	FY 05-06	
	\$2,500,000	\$0	NGF

Language:

Page 416, after line 44, insert:

“C-169.10. New Construction: Truck Inspection Station \$2,500,000 \$0
 Fund Sources: Bond Proceeds \$2,500,000”. \$0”.

“Prior to beginning this project, the Department of Motor Vehicles shall certify to the Secretaries of Transportation and Finance that the project is financially feasible and that the Department can support the debt service on the revenue bonds from its own unobligated resources. The Chairmen of

the House Appropriations and Senate Finance Committees shall be provided copies of such certification.”

Transportation Item C-184 #1c
 Department Of Transportation Language

Language:

Page 418, line 42, after “30”, delete the rest of the line.

Page 418, strike lines 43 through 45 and insert “site.”

Central Appropriations Item C-194 #1c
 Central Capital Outlay GF
FY 04-05 FY 05-06
(\$5,000,000) (\$5,000,000)

Language:

Page 420, line 6, strike “\$25,000,000” and insert “\$20,000,000”.

Page 420, line 6, strike “\$25,000,000” and insert “\$20,000,000”.

Page 420, line 8, strike “\$25,000,000” and insert “\$20,000,000”.

Page 420, strike lines 14 through 55 and insert:

“2004-2006 Appropriations

Agency Code	Agency Name	Project Code	FY 2005	FY 2006
123	Department of Military Affairs	10893	\$160,000	\$160,000
127	Department of Emergency Management	15989	\$25,000	\$25,000
140	Department of Criminal Justice Services	16320	\$25,000	\$25,000
146	The Science Museum of Virginia	13634	\$260,000	\$260,000
156	Department of State Police	10886	\$75,000	\$75,000
161	Department of Taxation	15994	\$69,000	\$69,000
194	Department of General Services	14260	\$775,000	\$775,000
199	Department of Conservation And Recreation	16646	\$200,000	\$200,000
203	Woodrow Wilson Rehabilitation Center	10885	\$350,000	\$350,000
204	The College of William And Mary In Virginia	12713	\$800,000	\$800,000
207	University of Virginia	12704	\$2,485,000	\$2,485,000
208	Virginia Polytechnic Institute and State University	12707	\$2,486,000	\$2,486,000
211	Virginia Military Institute	12732	\$420,000	\$420,000

214	Longwood University	12722	\$460,000	\$460,000
215	University of Mary Washington	12723	\$200,000	\$200,000
216	James Madison University	12718	\$750,000	\$750,000
217	Radford University	12731	\$310,000	\$310,000
221	Old Dominion University	12710	\$500,000	\$500,000
236	Virginia Commonwealth University	12708	\$1,600,000	\$1,600,000
238	Virginia Museum of Fine Arts	13633	\$240,000	\$240,000
239	Frontier Culture Museum of Virginia	15045	\$40,000	\$40,000
241	Richard Bland College	12716	\$25,000	\$25,000
242	Christopher Newport University	12719	\$170,000	\$170,000
246	University of Virginia's College at Wise	12706	\$130,000	\$130,000
247	George Mason University	12712	\$900,000	\$900,000
260	Virginia Community College System	12611	\$1,900,000	\$1,900,000
268	Virginia Institute of Marine Science	12331	\$150,000	\$150,000
301	Department of Agriculture and Consumer Services	12253	\$75,000	\$75,000
402	Marine Resources Commission	16498	\$25,000	\$25,000
409	Department of Mines, Minerals and Energy	13096	\$25,000	\$25,000
411	Department of Forestry	13986	\$75,000	\$75,000
417	Gunston Hall	12382	\$30,000	\$30,000
425	Jamestown-Yorktown Foundation	13605	\$200,000	\$200,000
702	Department for the Blind and Vision Impaired	13942	\$75,000	\$75,000
720	Department of Mental Health, Mental Retardation and Substance Abuse Services	10880	\$2,015,000	\$2,015,000
777	Department of Juvenile Justice	15081	\$600,000	\$600,000
799	Department of Corrections	10887	\$1,325,000	\$1,325,000
942	Virginia Museum of Natural History	14439	\$25,000	\$25,000

948	Southwest Virginia Higher Education Center	16499	\$25,000	\$25,000
		Total	\$20,000,000	\$20,000,000".

Central Appropriations				Item C-194.10 #1c
Central Capital Outlay	FY 04-05	FY 05-06		
	\$300,000	\$0		GF

Language:

Page 421, after line 36, insert:

"C-194.10. Maintenance Reserve: \$300,000

Fund Sources: General \$300,000".

"A.1. Out of the amounts for Maintenance Reserve shall be paid \$300,000 the first year for the costs of an audit of the Commonwealth's deferred maintenance needs.

2. The Auditor of Public Accounts shall perform an audit to determine the amount of deferred maintenance costs in the Commonwealth. The Auditor shall conduct the audit in phases with a preliminary report of the audit scope to be presented to the Chairmen of the Senate Finance and House Appropriation Committees in May of 2004, an interim progress report to the General Assembly by December of 2004, and the final report by December 2005. The first phase of the audit shall give consideration to including not only large agencies and institutions with facilities, but agencies and institutions that have public safety and health facilities.

3. To assist the Auditor of Public Accounts, the following agencies and institutions shall designate and assign at least one individual from each entity to assist in the audit: Department of General Services, the Department of Corrections, the Virginia Community College System, George Mason University, Department of Transportation and the State Council of Higher Education for Virginia. These individuals should have sufficient experience and knowledge to assist the Auditor of Public Accounts in developing procedures for collecting information and assisting agency and institutional personnel with advice and guidance in implementing, collecting and summarizing information for this audit. These individuals shall work with agencies and institutions to ensure that they are properly accumulating information.

4. The Auditor of Public Accounts shall oversee the collection, analysis, and prioritization of the data needed to audit deferred maintenance costs. All state agencies and institutions shall work with and assist the Auditor of Public Accounts to collect this data in relation to their agency.

5. As part of this audit, the Auditor of Public Accounts shall establish procedures and acquire software to develop and implement a Capital Outlay Deferred Maintenance System throughout all state agencies and institutions to gather information on the maintenance needs of all Commonwealth owned buildings. In addition to acquiring the software, the Auditor of Public Accounts will acquire the necessary training for the state agencies and institutions.

B. In conjunction with the audit of deferred maintenance costs required by paragraph A of this item, the Auditor of Public Accounts shall 1) evaluate the funding options and best management practices used by the federal, state or local government to address the backlog of and ongoing need for major maintenance projects for state buildings, and 2) recommend options to address the on-going need for major maintenance of state buildings which may include a) cash, b) debt, and c) setting aside funds in anticipation of future maintenance needs. The auditor shall report his findings and recommendations to the Governor and the General Assembly no later than January 1, 2005."

Central Appropriations				Item C-195 #1c
Central Capital Outlay	FY 04-05	FY 05-06		
	(\$7,500,000)	\$0		GF

Language:

Page 421, line 38, strike "\$7,500,000" and insert "\$0".

Central Appropriations			Item C-196 #1c
Central Capital Outlay	FY 04-05	FY 05-06	
	(\$10,000,000)	\$0	NGF

Language:

Page 421, line 45, strike "\$10,000,000" and insert "\$0".

Page 421, after line 45, insert:

"The Biotech Research Park Authority may examine the financial feasibility of using revenue supported bonds of the Virginia Public Building Authority to construct a commercial biotechnology facility."

Page 421, strike lines 46 through 55.

Page 422, strike lines 1 through 7.

Central Appropriations		Item C-199 #1c
9(D) Revenue Bonds		
		Language

Language:

Page 423, line 41, strike "\$275,240,000" and insert "\$420,543,000".

Page 423, line 41, strike "\$37,000,000" and insert "\$42,000,000".

Page 423, strike lines 43 through 54 and insert:

"Agency Name/Project Title	Item #	Project Code	Section 9(d) Bonds	Higher Education Operating	Total
University of Virginia					
Upgrade main heating plant for environmental compliance	C-58	16872	\$19,800,000	\$0	\$19,800,000
Acquire Advanced Research Technology Facility	C-67.10		\$15,000,000	\$0	\$15,000,000
University of Virginia Medical Center					
Construct Children's Medical Center	C-69	17011	\$11,000,000	\$37,000,000	\$48,000,000
Expand Hospital	C-71.10		\$24,000,000	\$0	\$24,000,000
College of William and Mary					
Construct New School of Business Building	C-15.10		\$40,000,000	\$0	\$40,000,000
Construct Parking Deck Supplement	C-15.10		\$2,821,000	\$0	\$2,821,000
James Madison University					
Construct Recreation Fields	C-34.10		\$8,000,000	\$0	\$8,000,000
Renovate Parking Deck	C-34.10		\$8,600,000	\$5,000,000	\$13,600,000

Longwood University

Construct Lacrosse/Field Hockey Complex	C-36	17018	\$3,306,000	\$0	\$3,306,000
Renovate Blackwell Hall and Bookstore	C-37	17019	\$3,850,000	\$0	\$3,850,000
Modernize Heating Plant, Phase II	C-35	17017	\$4,805,000	\$0	\$4,805,000

University of Mary Washington

Construct Convocation Center	C-39	17021	\$25,000,000	\$0	\$25,000,000
Construct Parking Deck	C-40	17022	\$6,000,000	\$0	\$6,000,000

Old Dominion University

Construct Indoor Tennis Center	C-47	17031	\$4,000,000	\$0	\$4,000,000
Relocate and Expand Athletic Facilities	C-49	17033	\$5,736,000	\$0	\$5,736,000
Construct Village Parking Garage	C-50	17034	\$8,168,000	\$0	\$8,168,000
Construct 49th Street Parking Garage	C-51	17035	\$6,441,000	\$0	\$6,441,000
Renovate Health and Physical Education Building	C-52.10		\$12,982,000	\$0	\$12,982,000

Virginia Commonwealth University

Construct Academic Campus Housing	C-78	17038	\$20,713,000	\$0	\$20,713,000
Construct Monroe Campus Parking Deck	C-80.30		\$14,000,000	\$0	\$14,000,000
Renovate Hunton Hall	C-80.40		\$5,000,000	\$0	\$5,000,000
Construct Game and Inland Fisheries Regional Headquarters at the Rice Center	C-81	17042	\$1,600,000	\$0	\$1,600,000
Construct New School of Nursing	C-82	17083	\$3,000,000	\$0	\$3,000,000

Christopher Newport University

Construct Parking Deck II	C-10	17046	\$9,200,000	\$0	\$9,200,000
Construct Student Center Supplement	C-11.10		\$3,400,000	\$0	\$3,400,000

George Mason University

Construct an Addition to the Krasnow Institute	C-18	16665	\$6,000,000	\$0	\$6,000,000
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Construct Prince William Performing Arts Center	C-20	16745	\$35,000,000	\$0	\$35,000,000
Construct Institute for Conflict Analysis and Resolution Conference Center	C-21	16835	\$9,000,000	\$0	\$9,000,000
Construct Parking Deck III	C-22	17049	\$21,668,000	\$0	\$21,668,000
Construct Student Union III	C-24	17051	\$10,021,000	\$0	\$10,021,000
Renovate and Expand the Physical Education Building	C-26	17054	\$14,503,000	\$0	\$14,503,000
Virginia Polytechnic Institute and State University					
Improve Boiler Pollution Controls	C-122	17009	\$2,000,000	\$0	\$2,000,000
Virginia Community College System					
Construct Parking Garage, Portsmouth Campus, Tidewater	C-104	17066	\$18,849,000	\$0	\$18,849,000
Construct Student Center, Virginia Beach Campus, Tidewater	C-105	17067	\$20,810,000	\$0	\$20,810,000
Construct Student Center, Norfolk Campus, Tidewater	C-106	17068	\$13,770,000	\$0	\$13,770,000
Department of Motor Vehicles					
Construct Truck Inspection Station	C-169.10		\$2,500,000	\$0	\$2,500,000
Total for Nongeneral Fund Obligation Bonds 9(d)			\$420,543,000	\$42,000,000	\$462,543,000"

Page 424, strike lines 1 through 63.
 Page 425, strike lines 1 through 18.

Central Appropriations
 9(D) Revenue Bonds

Item C-202 #1c

Language

Language:
 Page 426, line 40, strike "\$133,237,000" and insert "\$191,460,765".
 Page 426, strike lines 48 through 56 and insert:

"Agency Name/Project Title	Item #	Project Code	Section 9(d) Bonds
University of Mary Washington			
Replace Belmont Roof and Repair Caretaker's House (at Melchers-Monroe)	C-41	17028	\$250,000

Renovate Dodd Hall	C-41.10		\$1,500,000
The College of William and Mary in Virginia			
Replace Underground Utilities #1	C-14	16998	\$5,801,000
Acquire Emergency Generators	C-15.10		\$1,600,000
University of Virginia			
Upgrade Main Heating Plant for Environmental Compliance	C-58	16872	\$17,500,000
Renovate McLeod Hall	C-67.10		\$6,000,000
Virginia Polytechnic Institute and State University			
Construct Bioinformatics Facility, Phase II	C-120	16766	\$3,958,000
Improve Boiler Pollution Controls	C-122	17009	\$3,850,000
Virginia Military Institute			
Renovate Old Barracks for Emergency Repairs	C-118	17014	\$4,136,000
Improve Storm Sewer Drainage	C-119	17015	\$953,000
Renovate Kilbourne Hall Complex	C-119.10		\$9,100,000
Norfolk State University			
Increase Student Access to Technology	C-43	16590	\$3,000,000
Construct Police and Public Safety Building	C-43.10		\$3,850,000
James Madison University			
Construct College of Integrated Science and Technology	C-30	16297	\$4,369,000
Renovate Harrison Hall and Annex	C-31	16525	\$2,894,000
Improve Storm and Surface Water Infrastructure-Phase I	C-32	17023	\$3,836,000
Old Dominion University			
Renovate Technology Building	C-44	16819	\$1,741,000
Install Sprinkler System in Chemistry, Life Science and Visual Arts Building	C-45	17029	\$1,475,000
Expand Teletechnet Classroom Facilities at Community Colleges	C-46	17030	\$4,573,000
Renovate Health and Physical Education Building	C-52.10		\$3,518,000
Radford University			
Renovate Russell Hall	C-55	16815	\$4,941,000
VPI Cooperative Extension and Agriculture Experiment Station			

Construct Agriculture/National Resources Research Laboratory	C-123	16080	\$1,188,000
Virginia Commonwealth University			
Renovate Business Building	C-76	16289	\$127,000
Construct Massey Cancer Center Addition	C-77	16344	\$2,901,000
Improve Life and Fire Safety Compliance in Various Buildings on Both University Campuses	C-80		\$2,000,000
Construct New School of Business	C-80.10		\$15,300,000
Construct New School of Nursing	C-82	17083	\$11,308,000
Renovate West Hospital	C-83	17084	\$3,000,000
Renovate Student Dental Simulation Laboratory	C-85	17040	\$2,160,000
Virginia Institute of Marine Science			
Improve Information Technology Infrastructure	C-17	17085	\$1,200,000
Construct New Field Support Center	C-17.10		\$1,720,000
Richard Bland College			
Renovate Art Building, Equipment	C-16	16826	\$50,000
Christopher Newport University			
Renovate Performing Arts Building	C-8	15915	\$1,840,000
Construct Library/Info Tech Center	C-11	16774	\$5,000,000
Improve Storm Water Management	C-9	17045	\$1,709,000
University of Virginia's College at Wise			
Replace Water and Sewer Lines and Install Meters	C-72	17047	\$1,645,000
George Mason University			
Construct Fairfax I	C-19	16744	\$2,000,000
Upgrade Old Arlington Building Infrastructure	C-25	17052	\$1,650,000
Renovate King Hall, Science and Technology I and Science and Technology II Buildings	C-28	17053	\$1,942,000
Upgrade North Loop Infrastructure	C-29.10		\$3,325,000
Construct Prince William III A	C-29.20		\$1,750,000
Virginia Community College System			
Construct Science Laboratory Building, Lord Fairfax	C-87	16610	\$2,845,000
Renovate South Campus, Virginia Western	C-88	16612	\$208,000

Renovate Instructional Buildings, Wytheville	C-89	16613	\$221,000
Construct Advanced Technology and Workforce Development Center, Germanna	C-90	16840	\$1,500,000
Renovate Nursing and TV Technology Buildings, Annandale Campus, Northern Virginia	C-91	16845	\$600,000
Renovate and Expand Webber Hall, Virginia Western	C-92	16847	\$419,000
Construct Regional Automotive Technology/Workforce Development Center, Chesapeake Campus, Tidewater	C-93	16848	\$1,200,000
Construct HVAC Training Program Building, Woodbridge Campus, Northern Virginia	C-94	16853	\$500,000
Renovate Classroom and Laboratory, Christanna Campus, Southside Virginia	C-95	16854	\$33,000
Renovate Classroom and Laboratory, Daniel Campus, Southside Virginia	C-96	16855	\$206,000
Renovate Academic and Administrative Building, Thomas Nelson	C-97	16862	\$520,000
Replace Hastings Hall Heating, Ventilation and Air Conditioning System, Thomas Nelson	C-99	17058	\$1,932,000
Replace Heating and Cooling Systems, Wytheville	C-100	17059	\$2,676,000
Repair Major Mechanical and Electrical Systems, Annandale and Woodbridge Campuses, Northern Virginia	C-101	17060	\$7,243,000
Renovate Science Laboratory, Central Virginia	C-108.10		\$750,000
Construct Science Building Addition, Blue Ridge	C-108.10		\$1,834,000
Major Mechanical Systems, Systemwide	C-108.10		\$9,149,475
Construct Blackwater Building, Tidewater	C-108.10		\$4,160,000
Renovate Galax Hall, Wytheville	C-108.10		\$1,465,290
Longwood University			
Modernize Heating Plant, Phase II	C-35	17017	\$3,339,000
Total VCBA Projects			\$191,460,765".

Page 427, strike lines 1 through 64.

Page 428, strike lines 1 through 64.

Page 429, strike lines 1 through 20.

Central Appropriations

Item C-203 #1c

9(D) Revenue Bonds

Language

Language:

Page 429, line 36, strike "\$214,106,000" and insert "\$261,714,000".

Page 429, strike lines 37 through 59 and insert:

"Agency Name/Project Title	Item #	Project Code	Section 9(d) Bonds
Department of General Services			
Phase I Improvements at the Seat of Government	C-1	16780	\$4,433,000
Modify Ninth Street Office Building for New Tenants	C-3	17082	\$1,632,000
Modify Ninth Street Office Building for New Tenants	C-3.10		\$2,497,000
Department of Forestry			
Construct Cold Storage Facility	C-5.10		\$546,000
Construct Area Offices	C-5.10		\$1,076,000
Frontier Culture Museum			
Renovate Wetlands Mill Site	C-125.10		\$375,000
The Science Museum of Virginia			
Renovate East Terrace and East Stairway	C-133	16153	\$900,000
Renovate Exhibit Area	C-133.10		\$500,000
Virginia Museum of Fine Arts			
Replace Cooling Tower	C-135	17043	\$827,000
Upgrade Security System	C-135.10		\$1,792,000
Jamestown-Yorktown Foundation			
Replace James City Service Authority Sewer Pump Station	C-127	16977	\$377,000
Renovate Yorktown Exhibits	C-128	16978	\$1,395,000
Construct Central Support Complex	C-129	16472	\$139,000
Construct Powhatan Indian Village	C-126	16474	\$265,000
Construct Jamestown Maintenance Building	C-131	16473	\$46,000
Renovate Jamestown Ships	C-131.10		\$950,000
Renovate Yorktown Gallery	C-131.10		\$585,000
Woodrow Wilson Rehabilitation Center			

Replace Roofs of Watson Dining and Activities Building and Carter Ashley Hall	C-140	16968	\$1,360,000
Abate Asbestos in Kitchen and Dining Facilities	C-141	16969	\$1,762,000
Abate Asbestos, Phase 3 and 4	C-142	16970	\$1,910,000
Replace Water and Sewer Main Distribution System	C-143	15825	\$1,791,000
Department for the Blind and Vision Impaired			
Ensure Life Safety and Environmental Compliance	C-145	16971	\$1,736,000
Department of Mental Health, Mental Retardation and Substance Abuse Services			
Ensure Life Safety and Environmental Compliance at Various Facilities	C-138	16974	\$5,254,000
Abate Asbestos/Environmental Hazards at Southwest Virginia Mental Health Institute	C-139	16975	\$2,334,000
Department of Conservation and Recreation			
Construct facility at Occoneechee State Park	C-147	17088	\$2,000,000
Virginia Museum of Natural History			
Construct New Museum Facility	C-154	16154	\$4,230,000
Renovate Exhibit Area	C-154.10		\$2,000,000
Department of Emergency Management			
Equip Emergency Operations Center (EOC)	C-165	16976	\$1,713,000
Department of Juvenile Justice			
Repair Fire Safety Systems at Various Juvenile Correctional Centers	C-166	15206	\$900.00
Repair Life Safety Systems at Various Juvenile Correctional Centers	C-167	16979	\$2,000,000
Department of Corrections, Central Activities			
Replace St. Brides	C-155	15755	\$32,475,000
Powhatan Electrical System Upgrade	C-156	16105	\$750,000
Coffeewood Water Treatment Plant Upgrade	C-157	16111	\$2,209,000
Roof Repairs System Wide	C-158	16732	\$3,000,000
Construct New Bridge and Entrance Road at Bland	C-159	16990	\$1,962,000

Upgrade Haynesville Wastewater Treatment Plant	C-160	16991	\$1,987,000
Construct Medium Security Prison - Tazewell	C-161	16992	\$68,645,000
Construct Medium Security Prison - Pittsylvania	C-161.10		\$73,553,000
Expand Deerfield Correctional Center	C-162	16993	\$21,908,000
Construct New Dairy and Dairy Processing Center	C-163	16994	\$7,900,000
Total VPBA Projects			\$261,714,000".
Page 430, strike lines 1 through 64. Page 431, strike lines 1 through 5.			
Transfers			Item 3-1.01 #1c
Interfund Transfers			Language
Language:			
Page 435, line 41, strike "\$54,922" and insert, "\$109,845". Page 435, line 41, strike "\$27,461" and insert, "\$109,845".			
Transfers			Item 3-1.01 #2c
Interfund Transfers			Language
Language:			
Page 438, after line 28, insert: "FF. On or before June 30, 2005, and June 30, 2006, the State Comptroller shall transfer \$890,000 the first year and \$890,000 the second year to the general fund from the \$2.00 increase in the vital records fee contained in Item 309 of this act."			
Transfers			Item 3-1.01 #3c
Interfund Transfers			Language
Language:			
Page 432, line 20, strike "Winegrowers Advisory" and insert "Wine".			
Transfers			Item 3-1.01 #4c
Interfund Transfers			Language
Language:			
Page 434, line 3, strike "0477" and insert "0410".			
Transfers			Item 3-1.01 #5c
Interfund Transfers			Language
Language:			

Language:

Page 438, line 6, strike "\$294,584" and insert "\$2,503,872".

Page 438, line 8, strike "\$307,394" and insert "2,612,882".

Transfers

Item 3-1.01 #6c

Interfund Transfers

Language

Language:

Page 437, line 35, strike the first "\$5,000,000" and insert "\$5,700,000".

Page 437, line 35, strike the second "\$5,000,000" and insert "\$6,400,000".

Page 437, line 36, strike "Of that amount in each year, \$5,000,000" and insert: "These amounts".

Transfers

Item 3-1.01 #7c

Interfund Transfers

Language

Language:

Page 435, line 28, after "indicated.", strike the remainder of the line.

Page 435, strike line 29 through line 31.

Page 436, strike line 21 through line 61.

Page 437, strike line 1 through line 6.

Page 437, line 7, strike "3" and insert "2".

Transfers

Item 3-1.01 #8c

Interfund Transfers

Language

Language:

Page 437, strike lines 23 through 26.

Page 437, line 27, strike "U" and insert "T".

Page 437, line 35, strike "V" and insert "U".

Page 437, line 38, strike "W" and insert "V".

Page 437, line 41, strike "X" and insert "W".

Page 437, line 44, strike "Y" and insert "X".

Page 437, line 50, strike "Z" and insert "Y".

Page 438, line 5, strike "AA" and insert "Z".

Page 438, line 11, strike "BB" and insert "AA".

Page 438, line 16, strike "CC" and insert "BB".

Page 438, line 20, strike "DD" and insert "CC".

Page 438, line 24, strike "EE" and insert "DD".

Transfers

Item 3-1.01 #9c

Interfund Transfers

Language

Language:

Page 432, line 18, strike the first "\$48,214,022" and insert "\$49,838,471".

Page 432, line 18, strike the second "\$48,214,022" and insert "\$49,838,471".

Transfers

Item 3-1.01 #10c

Interfund Transfers

Language

Language:

Page 438, after line 28, insert:

“FF. On or before June 30, the State Comptroller shall transfer from the State Racing Operations Fund \$90,000 the first year and \$240,000 the second year to the general fund.”

Transfers

Item 3-1.01 #11c

Interfund Transfers

Language

Language:

Page 438, after line 28, insert:

“FF. The Department of Alcoholic Beverage Control shall sell the building in which the Alexandria Regional Office is currently located. Notwithstanding the provisions of § 2.2-1156, Code of Virginia, all the proceeds from the sale of such property, estimated to be \$3,000,000, shall be deposited into the general fund no later than June 30, 2006.”

Transfers

Item 3-1.01 #12c

Interfund Transfers

Language

Language:

Page 432, line 18, strike the first “\$48,214,022” and insert “\$58,714,022”.

Page 432, line 18, strike the second “\$48,214,022” and insert “\$58,714,022”.

Transfers

Item 3-1.01 #13c

Interfund Transfers

Language

Language:

Page 432, line 18, strike the first “\$48,214,022” and insert “\$50,607,320”.

Page 432, line 18, strike the second “\$48,214,022” and insert “\$50,607,320”.

Transfers

Item 3-1.01 #14c

Interfund Transfers

Language

Language:

Page 438, line 2, after “transfer.”, strike the remainder of the line.

Page 438, strike line 3 and line 4.

Transfers

Item 3-1.01 #15c

Interfund Transfers

Language

Language:

Page 432, line 61, after “quarter.”, insert:

“Distributions of net profits from the sale of alcoholic beverages to localities shall not exceed \$4,150,000 the first year and \$4,150,000 the second year.”

Implementation of House Bill 5018

Item 3-5.05 #1c

Language

Language:

Page 440, after line 38, insert:

“A. All additional state sales and use tax revenue generated by the amendments to § 58.1-609.3 of the Code of Virginia pursuant to enactments of the 2004 Special Session of the General Assembly shall be deposited into the general fund and distributed to localities pursuant to subsections B, C, and D of § 58.1-638 of the Code of Virginia (and in the percentage required thereunder) with the remaining additional revenue distributed as provided in this act.

B. Revenues deposited into the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund established under § 58.1-638.1 of the Code of Virginia pursuant to enactments of the 2004 Special Session of the General Assembly shall be transferred to the general fund and used to meet the Commonwealth's responsibilities for the Standards of Quality prescribed pursuant to Article VIII, Section 2, of the Constitution of Virginia. The Comptroller shall take all actions necessary to effect such transfers monthly, no later than 10 days following the deposit to the Fund. The amounts transferred shall be distributed to localities as specified in Items 146 and 147 of this Act.”

Item 3-5.05 #2c

IMPLEMENTATION OF HOUSE BILL 5018

Language

Language:

Page 440, after line 38, insert:

“In the event the implementation of House Bill 5018, passed by the 2004 Special Session, does not occur until on or after September 1, 2004, the funds appropriated in Item C-194 shall be unallotted, unless (1) such funds are available from revenue collections for the fiscal year ending June 30, 2004, that exceed the official revenue estimate contained in Chapter 943 of the Acts of Assembly of 2004, after meeting all Constitutional and statutory requirements for the use of revenues that exceed the official forecast, including the amount required by the ninth enactment of House Bill 5018, or (2) such funds are available from an official reforecast of the revenue estimate occurring after May 1, 2004.”

Adjustments and Modifications to Fees
Recordation Tax Fee

Item 3-6.01 #1c

Language

Language:

Page 440, line 41, strike “A.”

Page 440, line 43, after “Virginia.”, strike the remainder of the line and insert:

“The revenue generated from such fee shall be deposited to the general fund.”

Page 440, strike lines 44 through 47.

Page 441, strike lines 1 through 3.

Adjustments and Modifications to Fees
Motor Vehicle Fees

Item 3-6.02 #1c

Language

Language:

Page 441, line 6, after “fund” insert:

“\$3,450,000 the first year and \$3,450,000 the second year of ”.

Page 441, line 6, after “revenue” insert “which shall be distributed”.

Page 441, line 7, after “2002.”, strike remainder of line.

Page 441, strike line 8.

Page 441, strike line 11 through line 13.

Item 4-0.00 #1c

General Provisions

Language

Language:

Page 442, after line 2, insert:

“§ 4-0.01 OPERATING POLICIES

a. Each appropriating act of the General Assembly shall be subject to the following provisions and conditions, unless specifically exempt elsewhere in this act.

b. All appropriations contained in this act, or in any other appropriating act of the General Assembly, are declared to be maximum appropriations and conditional on receipt of revenue.

c. The Governor, as chief budget officer of the state, shall ensure that the provisions and conditions as set forth in this section are strictly observed.”

Page 442, strike lines 3 through 51.

Page 443, strike lines 1 through 49.

Page 444, strike lines 1 through 50.

Page 445, strike lines 1 through 53.

Page 446, strike lines 1 through 43.

Page 447, strike lines 1 through 52.

Page 448, strike lines 1 through 49.

Page 449, strike lines 1 through 51.

Page 450, strike lines 1 through 43.

Page 451, strike lines 1 through 48.

Page 452, strike lines 1 through 50.

Page 453, strike lines 1 through 50.

Page 454, strike lines 1 through 6 and insert:

“§ 4-1.00 APPROPRIATIONS

§ 4-1.01 PREREQUISITES FOR PAYMENT

a. The State Comptroller shall not pay any money out of the state treasury except pursuant to appropriations in this act or in any other act of the General Assembly making an appropriation during the current biennium.

b. Moneys shall be spent solely for the purposes for which they were appropriated by the General Assembly, except as specifically provided otherwise by § 4-1.03 Appropriation Transfers, § 4-4.01 Capital Projects, or § 4-5.01 a. Settlement of Claims with Individuals. Should the Governor find that moneys are not being spent in accordance with provisions of the act appropriating them, he shall restrain the State Comptroller from making further disbursements, in whole or in part, from said appropriations. Further, should the Auditor of Public Accounts determine that a state or other agency is not spending moneys in accordance with provisions of the act appropriating them, he shall so advise the Governor or other governing authority, the State Comptroller, the Chairman of the Joint Legislative Audit and Review Commission, and Chairmen of the Senate Finance and House Appropriations Committees.

§ 4-1.02 WITHHOLDING OF SPENDING AUTHORITY

a. For purposes of this subsection, withholding of spending authority is defined as any action that impedes or limits the ability to spend the appropriated moneys, regardless of the mechanism used to effect such withholding.

b.1. Changed Expenditure Factors: The Governor is authorized to reduce spending authority, by withholding allotments of appropriations, when expenditure factors, such as enrollments or population in institutions, are smaller than the estimates upon which the appropriation was based. Moneys generated from the withholding action shall not be reallocated for any other purpose. Provided, however, the withholding of allotments of appropriations under this provision shall not

occur until at least 15 days after the Governor has transmitted a statement of changed factors and intent to withhold moneys to the Chairmen of the House Appropriations and Senate Finance Committees.

2. Moneys shall not be withheld on the basis of reorganization plans or program evaluations until such plans or evaluations have been specifically presented in writing to the General Assembly at its next regularly scheduled session.

c. Increased Nongeneral Fund Revenue:

1. General fund appropriations to any state agency for operating expenses are supplemental to nongeneral fund revenues collected by the agency. To the extent that nongeneral fund revenues collected in a fiscal year exceed the estimate on which the operating budget was based, the Governor is authorized to withhold general fund spending authority, by withholding allotments of appropriations, in an equivalent amount. However, this limitation shall not apply to: (a) restricted excess tuition and fees for educational and general programs in the institutions of higher education, as defined in § 4-2.01 c of this act; (b) appropriations to institutions of higher education designated for fellowships, scholarships and loans; (c) gifts or grants which are made to any state agency for the direct costs of a stipulated project; (d) appropriations to institutions for the mentally ill or mentally retarded payable from the Mental Health and Mental Retardation Revenue Fund; and (e) general fund appropriations for highway construction and mass transit. Moneys unallotted under this provision shall not be reallocated for any other purpose.

2. To the degree that new or additional grant funds become available to supplement general fund appropriations for a program, following enactment of an appropriation act, the Governor is authorized to withhold general fund spending authority, by withholding allotments of appropriations, in an amount equivalent to that provided from grant funds, unless such action is prohibited by the original provider of the grant funds. The withholding action shall not include general fund appropriations, which are required to match grant funds. Moneys unallotted under this provision shall not be reallocated for any other purpose.

d. Reduced General Fund Resources:

1. The term "general fund resources" as applied in this subsection, includes revenues collected and paid into the general fund of the state treasury during the current biennium, transfers to the general fund of the state treasury during the current biennium, and all unexpended balances brought forward from the previous biennium.

2. In the event that general fund resources are estimated by the Governor to be insufficient to pay in full all general fund appropriations authorized by the General Assembly, the Governor shall, subject to the qualifications herein contained, withhold general fund spending authority, by withholding allotments of appropriations, to prevent any expenditure in excess of the estimated general fund resources available.

3. In making this determination, the Governor shall take into account actual general fund revenue collections for the current fiscal year and the results of a formal written re-estimate of general fund revenues for the current and next biennium, prepared within the previous 90 days, in accordance with the process specified in § 2.2-1503, Code of Virginia. Said re-estimate of general fund revenues shall be communicated to the Chairmen of the Senate Finance, House Appropriations and House Finance Committees, prior to taking action to reduce general fund allotments of appropriations on account of reduced resources.

4.a) In addition to monthly reports on the status of revenue collections relative to the current fiscal year's estimate, the Governor shall provide a written quarterly assessment of the current economic outlook for the remainder of the fiscal year to the Chairmen of the Senate Finance, House Appropriations, and House Finance Committees.

b) Within five business days after the preliminary close of the state accounts at the end of the fiscal year, the State Comptroller shall provide the Governor with the actual total of (1) individual income taxes, (2) corporate income taxes, and (3) sales taxes for the just completed fiscal year, with a comparison of such actual totals with the total of such taxes in the official budget estimate for that fiscal year. If that comparison indicates that the total of (1) individual income taxes, (2) corporate

income taxes, and (3) sales taxes, as shown on the preliminary close, was one percent or more below the amount of such taxes in the official budget estimate for the just completed fiscal year, the Governor shall prepare a written re-estimate of general fund revenues for the current biennium and the next biennium in accordance with § 2.2-1503, Code of Virginia, to be reported to the Chairmen of the Senate Finance, House Finance and House Appropriations Committees, not later than September 1 following the close of the fiscal year.

5. The Governor shall take no action to withhold allotments until a written plan detailing specific reduction actions approved by the Governor, identified by program and appropriation item, has been presented to the Chairmen of the House Appropriations and Senate Finance Committees. Subsequent modifications to the approved reduction plan also must be submitted to the Chairmen of the House Appropriations and Senate Finance Committees, prior to withholding allotments of appropriations. This reduction plan, with modifications thereto, shall be the sole basis for withholding spending authority due to reduced revenues.

6. In addition to the budget reduction plan approved by the Governor, all budget reduction proposals submitted by state agencies to the Governor or the Governor's staff, including but not limited to the Department of Planning and Budget, the Governor's Cabinet Secretaries, or the Chief of Staff, whether submitted electronically or otherwise, shall be forwarded within five calendar days of submission to the Chairmen of the Senate Finance and House Appropriations Committees.

7. In effecting the reduction of expenditures, the Governor shall not withhold allotments of appropriations for:

a) More than 15 percent cumulatively of the annual general fund appropriation contained in this act for operating expenses of any one state or nonstate agency or institution designated in this act by title, and the exact amount withheld, by state or nonstate agency or institution, shall be reported within five calendar days to the Chairmen of the Senate Finance and House Appropriations Committees. State agencies providing funds directly to grantees named in this Act shall not apportion a larger cut to the grantee than the proportional cut apportioned to the agency. Without regard to § 4-5.07 b.4. of this act, the remaining appropriation to the grantee which is not subject to the cut, equal to at least 85 percent of the annual appropriation, shall be made by July 31, or in two equal installments, one payable by July 31 and the other payable by December 31, if the remaining appropriation is less than or equal to \$500,000, except in cases where the normal conditions of the grant dictate a different payment schedule.

b) The payment of principal and interest on the bonded debt or other bonded obligations of the Commonwealth, its agencies and its authorities, or for payment of a legally authorized deficit.

c) The payments for care of graves of Confederate dead.

d) The employer contributions, and employer paid member contributions to the: Social Security System, Virginia Retirement System, Judicial Retirement System, State Police Officers Retirement System, Virginia Law Officers Retirement System, Optional Retirement Plan for College and University Faculty, Optional Retirement Plan for Political Appointees, Optional Retirement Plan for Superintendents, the Volunteer Service Award Program, and the Virginia Retirement System's group life insurance, sickness and disability, and retiree health care credit programs for state employees, state-supported local employees and teachers. If the Virginia Retirement System Board of Trustees approves a contribution rate for a fiscal year that is lower than the rate on which the appropriation was based, or if the United States government approves a Social Security rate that is lower than that in effect for the current budget, the Governor may withhold excess contributions. However, employer and employee paid rates or contributions for health insurance and matching deferred compensation for state employees, state-supported local employees and teachers may not be increased or decreased beyond the amounts approved by the General Assembly. Payments for the employee benefit programs listed in this paragraph may not be delayed beyond the customary billing cycles that have been established by law or policy by the governing board.

e) The payments in fulfillment of any contract awarded for the design, construction and furnishing of any state building.

f) The salary of any state officer for whom the Constitution of Virginia prohibits a change in salary.

g) The salary of any officer or employee in the Executive Department by more than two percent (irrespective of the fund source for payment of salaries and wages). Provided, however, the percentage of reduction shall be uniformly applied to all employees within the Executive Department.

h) The appropriation supported by the State Bar Fund, as authorized by § 54.1-3913, Code of Virginia, unless the supporting revenues for such appropriation are estimated to be insufficient to pay the appropriation.

8. The Governor is authorized to withhold specific allotments of appropriations by a uniform percentage, a graduated reduction or on an individual basis, or apply a combination of these actions, in effecting the authorized reduction of expenditures, up to the maximum of 15 percent, as prescribed in subdivision 7a of this subsection.

9. Each nongeneral fund appropriation shall be payable in full only to the extent the nongeneral fund revenues from which the appropriation is payable are estimated to be sufficient. The Governor is authorized to reduce allotments of nongeneral fund appropriations by the amount necessary to ensure that expenditures do not exceed the supporting revenues for such appropriations. Provided, however, the Governor shall take no action to reduce allotments of appropriations for major nongeneral fund sources on account of reduced revenues until such time as a formal written re-estimate of revenues for the current and next biennium, prepared in accordance with the process specified in § 2.2-1503, Code of Virginia, has been reported to the Chairmen of the Senate Finance, House Finance, and House Appropriations Committees. For purposes of this subsection, major nongeneral fund sources are defined as Highway Maintenance and Operating Fund and Transportation Trust Fund.

10. Notwithstanding any contrary provisions of law, the Governor is authorized to transfer to the general fund on June 30 of each year of the biennium or within twenty days from that date, any available unexpended balances in other funds in the state treasury, subject to the following:

a) The Governor shall declare in writing to the Chairmen of the Senate Finance and House Appropriations Committees that a fiscal emergency exists which warrants the transfer of nongeneral funds to the general fund and reports the exact amount of such transfer within five calendar days of the transfer;

b) No such transfer may be made from retirement or other trust accounts, the State Bar Fund as authorized by § 54.1-3913, Code of Virginia, debt service funds, or federal funds; and

c) The Governor shall include for informative purposes, in the first biennial budget he submits subsequent to the transfer, the amount transferred from each account or fund and recommendations for restoring such amounts.

11. The Director, Department of Planning and Budget, shall report spending authority withheld under the provisions of this subsection to the Chairmen of the Senate Finance and House Appropriations Committees within five calendar days of the action to withhold. Said report shall include the amount withheld by agency and appropriation item.

12. If action to withhold allotments of appropriation under this provision is inadequate to eliminate the imbalance between projected general fund resources and appropriations, the Speaker of the House of Delegates and the President Pro Tempore of the Senate shall be advised in writing by the Governor, so that they may consider requesting a special session of the legislature.

§ 4-1.03 APPROPRIATION TRANSFERS

a. GENERAL:

1.a) During any fiscal year, the Director, Department of Planning and Budget, may transfer operating appropriation authority from one state or other agency to another, to effect the following:

1) distribution of amounts budgeted in the central appropriation to agencies, or withdrawal of budgeted amounts from agencies in accordance with specific language in the central appropriation establishing reversion clearing accounts;

2) distribution of pass-through grants or other funds held by an agency as fiscal agent;

3) correction of errors within this act, where such errors have been identified in writing by the Chairmen of the Senate Finance and House Appropriations Committees;

- 4) proper accounting between fund sources 0100 and 0300 in higher education institutions; or
 - 5) transfers specifically authorized elsewhere in this act.
- b. During any fiscal year, the Director, Department of Planning and Budget, may transfer operating appropriation authority from one program to another within an agency to effect program purposes approved by the General Assembly, unless specifically provided otherwise in this act. However, appropriation authority for local aid programs and aid to individuals shall not be transferred elsewhere without the express consent of the General Assembly.
- c.1. In addition to authority granted elsewhere in this act, the Director, Department of Planning and Budget, may transfer operating appropriations authority among sub-agencies within the Judicial System, the Department of Corrections, and the Department of Mental Health, Mental Retardation and Substance Abuse Services to effect changes in operating expense requirements which may occur during the biennium.
2. The Director, Department of Planning and Budget, may transfer appropriations from the Department of Mental Health, Mental Retardation and Substance Abuse Services to the Department of Medical Assistance Services, consisting of the general fund amounts required to match federal funds for reimbursement of services provided by its institutions and Community Services Boards.
3. The Director, Department of Planning and Budget, may transfer appropriations from the Office of Comprehensive Services to the Department of Medical Assistance Services, consisting of the general fund amounts required to match federal funds for reimbursement of services provided to eligible children.
4. The Director, Department of Planning and Budget, may transfer an appropriation or portion thereof within a state or other agency, or from one such agency to another, to support changes in agency organization, program or responsibility enacted by the General Assembly to be effective during the current biennium.
5. The Director, Department of Planning and Budget, may transfer general fund appropriations from the second year to the first year, with said transfer to be reported in writing to the Chairmen of the Senate Finance and House Appropriations Committees within five calendar days of the transfer, when the expenditure of such funds is required to:
- a) address a threat to life, safety, health or property, or
 - b) provide for unbudgeted cost increases for statutory required services or federally mandated services, in order to continue those services at the present level, or
 - c) provide for payment of overtime salaries and wages, when the obligations for payment of such overtime were incurred during a situation deemed threatening to life, safety, health, or property, or
 - d) provide for payments to the beneficiaries of certain public safety officers killed in the line of duty, as authorized in Title 2.2, Chapter 4, Code of Virginia.
6. An appropriation transfer shall not occur except through properly executed appropriation transfer documents designed specifically for that purpose, and all transactions effecting appropriation transfers shall be entered in the state's computerized budgeting and accounting systems.
7. The Director, Department of Planning and Budget, may transfer from any other agency, appropriations, to supplement any project of the Virginia Public Building Authority authorized by the General Assembly and approved by the Governor. Such capital project shall be transferred to the state agency designated as the managing agency for the Virginia Public Building Authority.
8. In the event of the transition of a city to town status pursuant to the provisions of Chapter 41 of Title 15.2 of the Code of Virginia (§ 15.2-4100 et seq.) subsequent to July 1, 1999, the provisions of § 15.2-1302 shall govern distributions from state agencies to the county in which the town is situated, and the Director, Department of Planning and Budget, is authorized to transfer appropriations or portions thereof within a state agency, or from one such agency to another, if necessary to fulfill the requirements of § 15.2-1302.

§ 4-1.04 APPROPRIATION INCREASES

- a. If the Governor vetoes an item, neither he nor the Director, Department of Planning and Budget, shall administratively establish the vetoed program within the agency. In addition, neither the Governor nor the Director, Department of Planning and Budget, shall administratively increase the

appropriations of, nor transfer appropriations to, the agency affected by the veto in order to carry out the purposes of the vetoed item.

b. UNAPPROPRIATED NONGENERAL FUNDS:

1. Sale of Surplus Materials:

The Director, Department of Planning and Budget, is hereby authorized to increase the appropriations to any state agency by the amount of credit resulting from the sale of surplus materials under the provisions of § 2.2-1125, Code of Virginia.

2. Insurance Recovery:

The Director, Department of Planning and Budget, shall increase the appropriations authority for any state agency by the amount of the proceeds of an insurance policy or from the State Insurance Reserve Trust Fund, for expenditures as far as may be necessary, to pay for the repair or replacement of lost, damaged or destroyed property, plant or equipment.

3. Gifts, Grants and Other Nongeneral Funds:

a) Subject to § 4-1.02 c, Increased Nongeneral Fund Revenue, and the conditions stated in this section, the Director, Department of Planning and Budget, is hereby authorized to increase the appropriations to any state agency by the amount of the proceeds of donations, gifts, grants or other nongeneral funds paid into the state treasury in excess of such appropriations during a fiscal year. Such appropriations shall be increased only when the expenditure of moneys is authorized elsewhere in this act or is required to:

- 1) address a threat to life, safety, health or property or
- 2) provide for unbudgeted increases in costs for services required by statute or services mandated by the federal government, in order to continue those services at the present level or implement compensation adjustments approved by the General Assembly, or
- 3) provide for payment of overtime salaries and wages, when the obligations for payment of such overtime were incurred during a situation deemed threatening to life, safety, health, or property, or
- 4) continue a program at the present level of service or at an increased level of service when required to address unanticipated increases in noncredit instruction at institutions of higher education or business and industrial development opportunities which will benefit the state's economy, or
- 5) participate in a federal or sponsored program, or
- 6) realize cost savings in excess of the additional funds provided, or
- 7) permit a state agency or institution to use a donation, gift or grant for the purpose intended by the donor, or
- 8) provide for cost overruns on capital projects and for capital projects authorized under § 4-4.01 m of this act, or
- 9) address caseload or workload changes in programs approved by the General Assembly.

b) The above conditions shall not apply to donations and gifts to the endowment funds of institutions of higher education.

c) Each state agency and institution shall ensure that its budget estimates include a reasonable estimate of receipts from donations, gifts or other nongeneral fund revenue. The Department of Planning and Budget shall review such estimates and verify their accuracy, as part of the budget planning and review process.

d) No obligation or expenditure shall be made from such funds until a revised operating budget request is approved by the Director, Department of Planning and Budget. Expenditures from any gift, grant or donation shall be in accordance with the purpose for which it was made; however, expenditures for property, plant or equipment, irrespective of fund source, are subject to the provisions of §§ 4-2.03 Indirect Costs, 4-4.01 Capital Projects General, and 4-5.05 b Services and Clients-New Services, of this act.

e) Nothing in this section shall exempt agencies from complying with § 4-2.01 a Solicitation and Acceptance of Donations, Gifts, Grants, and Contracts of this act.

f) If the Governor vetoes an item, neither he nor the Director, Department of Planning and Budget, shall administratively establish the vetoed program within the agency. In addition, neither the Governor nor the Director, Department of Planning and Budget, shall administratively increase the

appropriations of, nor transfer appropriations to, the agency affected by the veto to carry out the purposes of the vetoed item.

4. Any nongeneral fund cash balance recorded on the books of the Department of Accounts as unexpended on the last day of the fiscal year may be appropriated for use in the succeeding fiscal year with the prior written approval of the Director, Department of Planning and Budget, unless the General Assembly shall have specifically provided otherwise.

5. Reporting:

The Director, Department of Planning and Budget, shall report on increases in unappropriated nongeneral funds in accordance with § 4-8.00, Reporting Requirements, or as modified by specific provisions in this subsection.

c. AGRIBUSINESS EQUIPMENT FOR THE DEPARTMENT OF CORRECTIONS

The Director of the Department of Planning and Budget may increase the Department of Corrections appropriation for the purchase of agribusiness equipment or the repair or construction of agribusiness facilities by an amount equal to fifty percent of any annual amounts in excess of fiscal year 1992 deposits to the general fund from agribusiness operations. It is the intent of the General Assembly that appropriation increases for the purposes specified shall not be used to reduce the general fund appropriations for the Department of Corrections.

§ 4-1.05 REVERSION OF APPROPRIATIONS AND REAPPROPRIATIONS

a. GENERAL FUND OPERATING EXPENSE:

1.a) General fund appropriations which remain unexpended on (i) the last day of the previous biennium, ending on June 30, 2004, and (ii) the last day of the first year of the current biennium, ending on June 30, 2005, shall be reappropriated and allotted for expenditure in the respective succeeding year for the following agencies and programs, provided however, that the reappropriations shall not be used to create ongoing obligations or expand or create new programs, but shall be applied to nonrecurring costs:

- 1) Agencies in the Legislative Department, the Judicial Department, and the Independent Agencies, except as may be specifically provided otherwise by the General Assembly;
- 2) Agencies in the Executive Department, subject to the prior written approval of the Governor, except as may be specifically provided otherwise by the General Assembly;
- 3) Specific program balances in Executive Department agencies identified by the General Assembly through language in this act;
- 4) Educational and General programs in those institutions of higher education which meet management standards prescribed by the Governor;
- 5) Unexpended revenues from community education and public service programs in the institutions of higher education; and
- 6) Appropriations to the institutions of higher education for student financial assistance.

2. The Governor shall complete his review and reappropriation of unexpended general fund appropriations, authorized under this section, no later than September 1 of the respective succeeding fiscal year. The Governor shall report within five calendar days after completing the reappropriation process to the Chairmen of the Senate Finance and House Appropriations Committees on the reappropriated amounts for each state agency.

3. Pursuant to subsection E of § 2.2-1125, Code of Virginia, the determination of compliance by an agency or institution with management standards prescribed by the Governor shall be made by the Secretary of Finance and the Secretary having jurisdiction over the agency or institution, acting jointly.

b. NONGENERAL FUND OPERATING EXPENSE:

1. Based on analysis by the State Comptroller, when any nongeneral fund has had no increases or decreases in fund balances for a period of 24 months, the State Comptroller shall promptly transfer and pay the balance into the fund balance of the general fund. If it is subsequently determined that an appropriate need warrants repayment of all or a portion of the amount transferred, the Director, Department of Planning and Budget shall include repayment in the next budget bill submitted to the General Assembly.

2. Nongeneral fund appropriations which remain unexpended on (i) the last day of the previous biennium and (ii) the last day of the first year of the current biennium shall be reappropriated and allotted for expenditure no later than September 1 of the respective succeeding fiscal year, provided however, that the reappropriations shall not be used to create ongoing obligations or expand or create new programs, but shall be applied to nonrecurring costs. The reappropriations process for nongeneral fund appropriations shall be consistent with the policies, guidelines and schedule used to reappropriate unexpended general fund appropriations.

c. CAPITAL PROJECTS:

1. Upon certification by the Director, Department of Planning and Budget, the State Comptroller is hereby authorized to revert to the fund balance of the general fund any portion of the unexpended general fund cash balance and corresponding appropriation or reappropriation for a capital project when the Director determines that such portion is not needed for completion of the project. The State Comptroller may similarly return to the appropriate fund source any part of the unexpended nongeneral fund cash balance and reduce any appropriation or reappropriation which the Director determines is not needed to complete the project. The Director may direct the restoration of any portion of the returned and reverted amount if he shall subsequently verify an unpaid obligation or requirement for completion of the project. In the case of a capital project for which an unexpended cash balance was returned and appropriation or reappropriation balance was reverted in the prior biennium, he may likewise restore any portion of such reverted amount under the same conditions.

2. The unexpended general fund cash balance and corresponding appropriation or reappropriation for capital projects shall revert to and become part of the fund balance of the general fund during the current biennium as of the date the Director, Department of Planning and Budget, certifies to the State Comptroller that the project has been completed in accordance with the intent of the appropriation or reappropriation and there are no known unpaid obligations related to the project. The State Comptroller shall return the unexpended nongeneral fund cash balance, if there be any, for such completed project to the source from which said nongeneral funds were obtained. Likewise, he shall revert an equivalent portion of the appropriation or reappropriation of said nongeneral funds. The Director, Department of Planning and Budget, may direct the restoration of any portion of the reverted amount if he shall subsequently verify an unpaid obligation or requirement for completion of the project. In the case of a capital project for which an unexpended cash balance was returned and appropriation or reappropriation was reverted in the prior biennium, he may likewise restore any portion of such amount under the same conditions.

§ 4-1.06 LIMITED ADJUSTMENTS OF APPROPRIATIONS

a. LIMITED CONTINUATION OF APPROPRIATIONS.

Notwithstanding any contrary provision of law, any unexpended balances on the books of the State Comptroller as of the last day of the previous biennium shall be continued in force for such period, not exceeding 10 days from such date, as may be necessary in order to permit payment of any claims, demands or liabilities incurred prior to such date and unpaid at the close of business on such date, and shown by audit in the Department of Accounts to be a just and legal charge, for values received as of the last day of the previous biennium, against such unexpended balances.

b. LIMITATIONS ON CASH DISBURSEMENTS.

Notwithstanding any contrary provision of law, the State Comptroller may begin preparing the accounts of the Commonwealth for each subsequent fiscal year on or about ten 10 days before the start of such fiscal year. The books will be open only to enter budgetary transactions and transactions that will not require the receipt or disbursement of funds until after June 30. Should an emergency arise, or in years in which July 1 falls on a weekend requiring the processing of transactions on or before June 30, the State Comptroller may, with the written concurrence of the Auditor of Public Accounts, authorize the disbursement of funds drawn against appropriations of the subsequent fiscal year, not to exceed the sum of three million dollars (\$3,000,000) from the general fund. This provision does not apply to debt service payments on bonds of the Commonwealth which shall be made in accordance with bond documents, trust indentures, and/or escrow agreements.

§ 4-1.07 ALLOTMENTS

Except when otherwise directed by the Governor within the limits prescribed in §§ 4-1.02 Withholding of Spending Authority, 4-1.03 Appropriation Transfers, and 4-1.04 Appropriation Increases of this act, the Director, Department of Planning and Budget, shall prepare and act upon the allotment of appropriations required by this act, and by § 2.2-1819, Code of Virginia, and the authorizations for rates of pay required by this act. Such allotments and authorizations shall have the same effect as if the personal signature of the Governor were subscribed thereto. This section shall not be construed to prohibit an appeal by the head of any state agency to the Governor for reconsideration of any action taken by the Director, Department of Planning and Budget, under this section.

§ 4-2.00 REVENUES

§ 4-2.01 NONGENERAL FUND REVENUES

a. SOLICITATION AND ACCEPTANCE OF DONATIONS, GIFTS, GRANTS, AND CONTRACTS:

1. No state agency shall solicit or accept any donation, gift, grant, or contract without the written approval of the Governor except under written guidelines issued by the Governor which provide for the solicitation and acceptance of nongeneral funds.

2. The Governor may issue policies in writing for procedures which allow state agencies to solicit and accept nonmonetary donations, gifts, grants, or contracts except that donations, gifts and grants of real property shall be subject to § 4-4.00 of this act and § 2.2-1149, Code of Virginia. This provision shall apply to donations, gifts and grants of real property to endowment funds of institutions of higher education, when such endowment funds are held by the institution in its own name and not by a separately incorporated foundation or corporation.

3.a) The preceding subdivisions shall not apply to property and equipment acquired and used by a state agency or institution through a lease purchase agreement and subsequently donated to the agency or institution during or at the expiration of the lease purchase agreement, provided that the lessor is the Virginia College Building Authority.

b) The use of endowment funds for property, plant or equipment for state-owned facilities is subject to §§ 4-2.03 Indirect Costs, 4-4.01 Capital Projects-General and 4-5.05 Services and Clients of this act.

b. HIGHER EDUCATION PLANNED EXCESS REVENUES:

An institution of higher education may generate and retain tuition and fee revenues in excess of those provided in § 4-2.01 b Higher Education Tuition and Fees, subject to the following:

1. Such revenues are identified by language in the appropriations in this act to any such institution.

2. The use of such moneys is fully documented by the institution to the Governor prior to each fiscal year and prior to allotment.

3. The moneys are supplemental to, and not a part of, ongoing expenditure levels for educational and general programs used as the basis for funding in subsequent biennia.

4. The receipt and expenditure of these moneys shall be recorded as restricted funds on the books of the Department of Accounts and shall not revert to the surplus of the general fund at the end of the biennium.

5. Tuition and fee revenues generated by the institution other than as provided herein shall be subject to the provisions of § 4-1.04 b3 Gifts, Grants, and Other Nongeneral Funds of this act.

§ 4-2.02 GENERAL FUND REVENUE

a. STATE AGENCY PAYMENTS INTO GENERAL FUND:

1. Except as provided in § 4-2.02 a.2., all moneys, fees, taxes, charges and revenues received at any time by the following agencies from the sources indicated shall be paid immediately into the general fund of the state treasury:

a) Marine Resources Commission, from all sources, except:

1) Revenues payable to the Public Oyster Rocks Replenishment Fund established by § 28.2-542, Code of Virginia.

- 2) Revenue payable to the Virginia Marine Products Fund established by § 3.1-684.63, Code of Virginia.
 - 3) Revenue payable to the Virginia Saltwater Recreational Fishing Development Fund established by § 28.2-302.3, Code of Virginia.
 - 4) Revenue payable to the Marine Fishing Improvement Fund established by § 28.2-208, Code of Virginia.
 - 5) Revenue payable to the Marine Habitat and Waterways Improvement Fund established by § 28.2-1206, Code of Virginia.
- b)1) Department of Labor and Industry, or any other agency, for the administration of the state labor and employment laws under Title 40.1, Code of Virginia.
 - 2) Department of Labor and Industry, from boiler and pressure vessel inspection certificate fees, pursuant to § 40.1-51.15, Code of Virginia.
 - c) All state institutions for the mentally ill or mentally retarded, from fees or per diem paid employees for the performance of services for which such payment is made, except for a fee or per diem allowed by statute to a superintendent or staff member of any such institution when summoned as a witness in any court.
 - d) Department of Medical Assistance Services, from funds received from health care providers as a result of overpayments made in previous fiscal years and recoveries from third parties, after a determination is made of the Commonwealth's share of such recoveries.
 - e) Board of Bar Examiners, from all sources.
 - f) Secretary of the Commonwealth, from all sources.
 - g) The Departments of Corrections, Juvenile Justice, and Correctional Education, as required by law, including revenues from sales of dairy and other farm products, and payments from the U.S. Immigration and Naturalization Service for the housing of illegal aliens and other inmates.
 - h) Auditor of Public Accounts, from charges for audits or examinations when the law requires that such costs be borne by the county, city, town, regional government or political subdivision of such governments audited or examined.
 - i) Department of Education, from repayment of student scholarships and loans, except for the cost of such collections.
 - j) Department of the Treasury, from the following sources:
 - 1) Fees collected from insurance companies for the safekeeping and handling of securities or surety bonds deposited with the State Treasurer pursuant to § 38.2-1057, Code of Virginia.
 - 2) Fees collected for handling cash and securities deposited with the State Treasurer pursuant to § 46.2-454, Code of Virginia.
 - k) Attorney General, from recoveries of attorneys' fees and costs of litigation.
 - l) Department of Social Services, from net revenues received from child support collections after all disbursements are made in accordance with state and federal statutes and regulations, and the state's share of the cost of administering the programs is paid.
 - m) Department of General Services, from net revenues received from refunds of overpayments of utilities charges in prior fiscal years, after deduction of the cost of collection and any refunds due to the federal government.
 - n) Without regard to paragraph g above, the following revenues shall be excluded from the requirement for deposit to the general fund and shall be deposited as follows: (1) payments to Virginia Correctional Enterprises shall be deposited into the Virginia Correctional Enterprises Fund; (2) payments to the Departments of Corrections, Juvenile Justice and Correctional Education for work performed by inmates, work release prisoners, probationers or wards, which are intended to cover the expenses of these inmates, work release prisoners, probationers, or wards, shall be retained by the respective agencies for their use; and (3) payments to the Department of Correctional Education for work performed shall be retained by the agency to increase vocational training activities and to purchase work tools and work clothes for inmates, upon release.
2. The provisions of § 4-2.02 a.1. State Agency Payments into General Fund shall not apply to proceeds from the sale of surplus materials pursuant to § 2.2-1125, Code of Virginia. However, the

State Comptroller is authorized to transfer to the general fund of the state treasury, out of the credits under § 4-1.05 b 1 Unappropriated Nongeneral Funds - Sale of Surplus Materials of this act, sums derived from the sale of materials originally purchased with general fund appropriations. The State Comptroller may authorize similar transfers of the proceeds from the sale of property not subject to § 2.2-1124, Code of Virginia, if said property was originally acquired with general fund appropriations, unless the General Assembly provides otherwise.

b. DEFINITION OF GENERAL FUND REVENUE FOR PERSONAL PROPERTY RELIEF ACT

Notwithstanding any contrary provision of law, for purposes of subsection C of § 58.1-3524 and subsection B of § 58.1-3536, Code of Virginia, the term general fund revenues, excluding transfers, is defined as (i) all state taxes, including penalties and interest, required and/or authorized to be collected and paid into the general fund of the state treasury pursuant to Title 58.1, Code of Virginia, (ii) permits, fees, licenses, fines, forfeitures, charges for services, and revenue from use of money and property required and/or authorized to be paid into the general fund of the state treasury, and (iii) amounts required to be deposited to the general fund of the state treasury pursuant to § 4-2.02a.1., of this act. However, in no case shall (i) lump-sum payments, (ii) one-time payments not generated from the normal operation of state government, or (iii) proceeds from the sale of state property or assets be included in the general fund revenue calculations for purposes of subsection C of § 58.1-3524 and subsection B of § 58.1-353, Code of Virginia.

c. DATE OF RECEIPT OF REVENUES:

All June general fund collections received under Subtitle I of Title 58.1, Code of Virginia, bearing a postmark date or electronic transactions with a settlement or notification date on or before the first business day in July, when June 30 falls on a Saturday or Sunday, shall be considered as June revenue and recorded under guidelines established annually by the Department of Accounts.

§ 4-2.03 INDIRECT COSTS

a. INDIRECT COST RECOVERIES FROM GRANTS AND CONTRACTS:

Each state agency, including institutions of higher education, which accepts a grant or contract shall recover full statewide and agency indirect costs unless prohibited by the grantor agency or exempted by provisions of this act.

b. AGENCIES OTHER THAN INSTITUTIONS OF HIGHER EDUCATION:

The following conditions shall apply to indirect cost recoveries received by all agencies other than institutions of higher education:

1. The Governor shall include in the recommended nongeneral fund appropriation for each agency in this act the amount which the agency includes in its revenue estimate as an indirect cost recovery. The recommended nongeneral fund appropriations shall reflect the indirect costs in the program incurring the costs.
2. If actual agency indirect cost recoveries exceed the nongeneral fund amount appropriated in this act, the Director, Department of Planning and Budget, is authorized to increase the nongeneral fund appropriation to the agency by the amount of such excess indirect cost recovery. Such increase shall be made in the program incurring the costs.
3. Statewide indirect cost recoveries shall be paid into the general fund of the state treasury, unless the agency is specifically exempted from this requirement by language in this act. Any statewide indirect cost recoveries received by the agency in excess of the exempted sum shall be deposited to the general fund of the state treasury.

c. INSTITUTIONS OF HIGHER EDUCATION:

The following conditions shall apply to indirect cost recoveries received by institutions of higher education:

1. Seventy percent shall be retained by the institution as an appropriation of moneys for the conduct and enhancement of research and research-related requirements. Such moneys may be used for payment of principal of and interest on bonds issued by or for the institution pursuant to § 23-19, Code of Virginia, for any appropriate purpose of the institution, including, but not limited to, the conduct and enhancement of research and research-related requirements.

2. Thirty percent of the indirect cost recoveries for the level of sponsored programs authorized in the appropriations in Part 1 of Chapter 1042 of the Acts of Assembly of 2003, shall be included in the educational and general revenues of the institution to meet administrative costs.

3. Institutions of higher education may retain 100 percent of the indirect cost recoveries related to research grant and contract levels in excess of the levels authorized in Chapter 1042 of the Acts of Assembly of 2003. This provision is included as an additional incentive for increasing externally funded research activities.

d. The Director, Department of Planning and Budget, shall report to the Chairmen of the Senate Finance and House Appropriations Committees no later than September 1 of each year on the indirect cost recovery moneys administratively appropriated.

e. REGULATIONS:

The State Comptroller is hereby authorized to issue regulations to carry out the provisions of this subsection, including the establishment of criteria to certify that an agency is in compliance with the provisions of this subsection.

§ 4-3.00 DEFICIT AUTHORIZATION AND TREASURY LOANS

§ 4-3.01 DEFICITS

a. GENERAL:

1. Except as provided in this section no state agency shall incur a deficit. No state agency receiving general fund appropriations under the provisions of this act shall obligate or expend moneys in excess of its general fund appropriations, nor shall it obligate or expend moneys in excess of nongeneral fund revenues that are collected and appropriated.

2. The Governor is authorized to approve deficit funding for a state agency under the following conditions:

a) an unanticipated federal or judicial mandate has been imposed,

b) insufficient moneys are available in the first year of the biennium for start-up of General Assembly-approved action, or

c) delay pending action by the General Assembly at its next legislative Session will result in the curtailment of services required by statute or those required by federal mandate or will produce a threat to life, safety, health or property.

d) Such approval by the Governor shall be in writing under the conditions described in § 4-3.02 a Authorized Deficit Loans of this act and shall be promptly communicated to the Chairmen of the House Appropriations and Senate Finance Committees within five calendar days of deficit approval.

3. Deficits shall not be authorized for capital projects.

4. The Department of Transportation may obligate funds in excess of the current biennium appropriation for projects of a capital nature not covered by § 4-4.00 Capital Projects, of this act provided such projects 1) are delineated in the Virginia Transportation Six-Year Improvement Program, as approved by the Commonwealth Transportation Board; and 2) have sufficient cash allocated to each such project to cover projected costs in each year of the Program; and provided that 3) sufficient revenues are projected to meet all cash obligations for such projects as well as all other commitments and appropriations approved by the General Assembly in the biennial budget.

b. UNAUTHORIZED DEFICITS: If any agency contravenes any of the prohibitions stated above, thereby incurring an unauthorized deficit, the Governor is hereby directed to withhold approval of such excess obligation or expenditure. Further, there shall be no reimbursement of said excess, nor shall there be any liability or obligation upon the state to make any appropriation hereafter to meet such unauthorized deficit. Further, those members of the governing board of any such agency who shall have voted therefore, or its head if there be no governing board, making any such excess obligation or expenditure shall be personally liable for the full amount of such unauthorized deficit and, at the discretion of the Governor, shall be deemed guilty of neglect of official duty and be subject to removal therefore. Further, the State Comptroller is hereby directed to make public any such unauthorized deficit, and the Director, Department of Planning and Budget, is hereby directed to set out such unauthorized deficits in the next biennium budget. In addition, the Governor is

directed to bring this provision of this act to the attention of the members of the governing board of each state agency, or its head if there be no governing board, within two weeks of the date that this act becomes effective.

c. **TOTAL AUTHORIZED DEFICITS:** The amount which the Governor may authorize, under the provisions of this section during the current biennium, to be expended from loans repayable out of the general fund of the state treasury, for all state agencies, or other agencies combined, in excess of general fund appropriations for the current biennium, shall not exceed one and one-half percent (1 1/2%) of the revenues collected and paid into the general fund of the state treasury as defined under § 4-2.02 b of this act during the last year of the previous biennium and the first year of the current biennium.

d. The Governor shall report any such authorized and unauthorized deficits to the Chairmen of the House Appropriations and Senate Finance Committees within five calendar days of deficit approval. By August 15 of each year, the Governor shall provide a comprehensive report to the Chairmen of the House Appropriations and Senate Finance Committees detailing all such deficits.

§ 4-3.02 TREASURY LOANS

a. **AUTHORIZED DEFICIT LOANS:** A state agency requesting authorization for deficit spending shall prepare a plan for the Governor's review and approval, specifying appropriate financial, administrative and management actions necessary to eliminate the deficit and to prevent future deficits. If the Governor approves the plan and authorizes a state agency to incur a deficit under the provisions of this section, the amount authorized shall be obtained by the agency by borrowing the authorized amount on such terms and from such sources as may be approved by the Governor. At the close of business on the last day of the current biennium, any unexpended balance of such loan shall be applied toward repayment of the loan, unless such action is contrary to the conditions of the loan approval. The Director, Department of Planning and Budget, shall set forth in the next biennial budget all such loans which require an appropriation for repayment. A copy of the approved plan to eliminate the deficit shall be transmitted to the Chairmen of the House Appropriations and the Senate Finance Committees within five calendar days of approval.

b. **ANTICIPATION LOANS:** Authorization for anticipation loans are limited to the provisions below.

1.a) When the payment of authorized obligations for operating expenses is required prior to the collection of nongeneral fund revenues, any state agency may borrow from the state treasury the required sums with the prior written approval of the Secretary of Finance or his designee as to the amount, terms and sources of such funds; such loans shall not exceed the amount of the anticipated collections of such revenues and shall be repaid only from such revenues when collected.

b) When the payment of authorized obligations for capital expenses is required prior to the collection of proceeds from authorized debt, any state agency or body corporate and politic, constituting a public corporation and government instrumentality, may borrow from the state treasury the required sums with the prior written approval of the Secretary of Finance or his designee as to the amount, terms and sources of such funds; such loans shall not exceed the amount of the anticipated proceeds from debt authorized by the General Assembly and shall be repaid only from such proceeds when collected.

2. Anticipation loans for operating expenses shall be in amounts not greater than the sum identified by the agency as the minimum amount required to meet the projected expenditures. The term of any anticipation loans granted for operating expenses shall not exceed twelve months.

3. Before an anticipation loan for a capital project is authorized, the agency shall develop a plan for financing such capital project; approval of the State Treasurer shall be obtained for all plans to incur authorized debt.

4. Anticipation loans for capital projects shall be in amounts not greater than the sum identified by the agency as required to meet the projected expenditures for the project within the current biennium.

5. To ensure that such loans are repaid as soon as practical and economical, the Department of Planning and Budget shall monitor the construction and expenditure schedules of all approved capital projects that will be paid for with proceeds from authorized debt and have anticipation loans.

6. The State Treasurer shall charge current market interest rates on anticipation loans made for capital projects subject to the following:

- a) Anticipation loans for capital projects for which debt service will be paid with general fund appropriations shall be exempt from interest payments on borrowed balances.
- b) Interest payments on anticipation loans for nongeneral fund capital projects shall be made from appropriated nongeneral fund revenues. Such interest shall not be paid with the funds from the anticipation loan or from the proceeds of authorized debt without the approval of the State Treasurer.
- c) REPORTING: All outstanding loans shall be reported by the Governor to the Chairmen of the House Appropriations and Senate Finance Committees by August 15 of each year. The report shall include a status of the repayment schedule for each loan.

§ 4-3.03 CAPITAL LEASES

a. GENERAL:

1. Not later than September 1 of each year, all agencies and institutions of the Commonwealth proposing building projects that may qualify as capital lease agreements, as defined in Generally Accepted Accounting Principles (GAAP), and that may be supported in whole, or in part, from appropriations provided for in this act, shall submit copies of such proposals to the Directors of the Departments of Planning and Budget and General Services, the State Comptroller, and the State Treasurer. The Secretary of Finance may promulgate guidelines for the review and approval of such requests.

2. The proposals shall be submitted in such form as the Secretary of Finance may prescribe. The Comptroller and the Director, Department of General Services shall be responsible for evaluating the proposals to determine if they qualify as capital lease agreements. The State Treasurer shall be responsible for incorporating existing and proposed capital lease agreements in the annual Debt Capacity Advisory Committee reports.

b. APPROVAL OF FINANCINGS:

1. For any project which qualifies as a capital lease, as defined in the preceding subdivisions a 1 and 2, and which is financed through the issuance of securities, the Treasury Board shall approve the terms and structure of such financing pursuant to § 2.2-2416, Code of Virginia.

2. For any project for which costs will exceed \$5,000,000 and which is financed through a capital lease transaction, the Treasury Board shall approve the terms and structure of such capital lease in addition to such other reviews and approvals as may be required by law. The Departments of Accounts, General Services, and Planning and Budget shall notify the Treasury Board upon their approval of any transaction which qualifies as a capital lease under the terms of this section. The State Treasurer shall notify the Chairmen of the House Appropriations and Senate Finance Committees of the action of the Treasury Board as it regards this subdivision within five calendar days of its action.

c. REPORTS: Not later than December 20 of each year, the Secretary of Finance and the Secretary of Administration shall jointly be responsible for providing the Chairmen of the House Appropriations and Senate Finance Committees with recommendations involving proposed capital lease agreements.”

Page 460, strike lines 25 through 40.

Page 460, line 41, strike “§ 4-5.04” and insert “§ 4-5.02”.

Page 461, line 11, strike “§ 4-5.05” and insert “§ 4-5.03”.

Page 461, strike lines 12 through 15 and insert:

“a. CHANGED COST FACTORS: No state agency, or its governing body, shall alter factors (e.g., qualification level for receipt of payment or service) which may increase the number of eligible recipients for its authorized services or payments, or alter factors which may increase the unit cost of benefit payments within its authorized services, unless the General Assembly has made an appropriation for the cost of such change.”

Page 461, strike lines 17 through 25 and insert:

“1. No state agency shall begin any new service that will call for future additional property, plant or equipment or that will require an increase in subsequent general or nongeneral fund operating expenses without first obtaining the authorization of the General Assembly.

2. Pursuant to the policies and procedures of the State Council of Higher Education regarding approval of academic programs and the concomitant enrollment, no state institution of higher education shall operate any academic program with funds in this act unless approved by the Council and included in the Executive Budget, or approved by the General Assembly. The Council may grant exemptions to this policy in exceptional circumstances.

3. Reporting on all new services shall be in accordance with § 4-8.00, Reporting Requirements.”

Page 461, line 26, after “EDUCATION:”, insert:

“No moneys appropriated by this act shall be used for off-campus sites unless as provided for in this section.”

Page 461, strike lines 48 through 50.

Page 462, strike lines 1 through 3.

Page 462, line 4, strike “3.” and insert “1.”

Page 462, line 10, strike “4.a.” and insert “2.a.”

Page 462, line 19, strike “§ 4-5.06” and insert “§ 4-5.04”.

Page 463, strike lines 34 through 38.

Page 463, line 43, strike “No state agency shall expend any public”.

Page 463, strike lines 44 through 50 and insert:

“No state Executive Department agency or the Virginia State Lottery shall expend any public funds for the production of motion picture films or of programs for television transmission, or for the operation of television or radio transmission facilities, without the prior written approval of the Governor or as otherwise provided in this act, except for educational television programs produced for elementary-secondary education by authority of the Virginia Information Technologies Agency. The Joint Subcommittee on Rules is authorized to provide the approval of such expenditures for legislative agencies. For judicial agencies and independent agencies, other than the Virginia State Lottery, prior approval action rests with the supervisory bodies of these entities. With respect to television programs which are so approved and other programs which are otherwise authorized or are not produced for television transmission, state agencies may enter into contracts without competitive sealed bidding, or competitive negotiation, for program production and transmission services which are performed by public telecommunications entities, as defined in § 2.2-1301, Code of Virginia.”

Page 464, line 23, strike “§ 4-5.07” and insert “§ 4-5.05”.

Page 465, line 1, strike “§ 4-5.08” and insert “§ 4-5.06”.

Page 465, strike lines 4 through 44 and insert:

“b.1.a) The provisions of § 4-5.08 b of Chapter 912 of the Acts of Assembly of 1996, pertaining to pilot programs for capital outlay projects in selected institutions of higher education, including Old Dominion University, are hereby continued.

b) Pursuant to those provisions, Christopher Newport University, the College of William and Mary, Old Dominion University, Radford University, the University of Virginia, and Virginia Polytechnic Institute and State University are authorized to oversee the capital process for nongeneral fund capital outlay projects included in the pilot program.

c) The above-referenced institutions of higher education participating in the nongeneral fund capital outlay pilot program are hereby delegated the authority of the Department of General Services to approve the use and administration of design-build or construction management as appropriate contract methods for nongeneral fund capital outlay projects.

d) The above-referenced institutions are hereby delegated the authority of the Department of General Services to approve the use of design-build or construction management as appropriate contract methods for general fund capital outlay projects.

c.1.a) The provisions identified in § 4-5.08 f and § 4-5.08 h of Chapter 1042 of the Acts of Assembly of 2003, pertaining to pilot programs for selected capital outlay projects and memoranda of understanding in institutions of higher education are hereby continued. Notwithstanding these provisions, those projects shall be insured through the state's risk management liability program.

b) Based on the memoranda of understanding developed pursuant to § 4-5.08 h of Chapter 1042, 2003 Acts of Assembly, as periodically amended, or memoranda of understanding in effect prior to the October 1, 2003, as periodically amended, the responsible Cabinet Secretary, or his designee, shall conduct an evaluation of each institution participating in a pilot program at least once every two years.

c) The Secretary shall report all evaluation findings and recommendations to the Governor and Chairmen of the Senate Finance and House Appropriations Committees within 15 business days of the completion of the evaluation.

d) To the extent an institution participating in a pilot program is not performing to the satisfaction of the responsible Cabinet Secretary, the institution shall have 90 calendar days from receipt of the Secretary's written evaluation in which to develop a remediation plan. The institution shall submit the plan to the appropriate Cabinet Secretary and the Auditor of Public Accounts.

e) The Auditor of Public Accounts shall conduct a functional audit of the delegated program authority within 180 calendar days of receiving the institution's plan. Based on his findings, the Auditor of Public Accounts shall recommend to the Chairmen of the Senate Finance and House Appropriations Committees whether the institution should continue in the pilot program.

2. To the extent an institution is performing satisfactorily under the pilot programs, it is the intent of the General Assembly that they be removed from the pilot program and be delegated authority in the Code of Virginia to administer the specified duty or function on an on-going basis.

3. If during an independent audit conducted by the Auditor of Public Accounts, the audit discloses that an institution is not performing within the terms of the memoranda of understanding or their addenda, the Auditor shall report this information to the Governor, the responsible Cabinet Secretary, and the Chairmen of the Senate Finance and House Appropriations Committees. The responsible Cabinet Secretary shall consider this an evaluation in accordance with subparagraph c.1. b).

d. Institutions wishing to participate in a pilot program for the first time shall submit a letter of interest to the appropriate Cabinet Secretary. Within 90 calendar days of the receipt of the institution's request to participate, the responsible Cabinet Secretary shall determine whether the institution meets the eligibility criteria and, if appropriate, establish a pilot program at the institution. The Cabinet Secretary shall report to the Governor and Chairmen of the Senate Finance and House Appropriations Committees by December 1 of each year all institutions that have applied for inclusion in a pilot program and whether the institutions have been granted authority to participate in the pilot program.

e. Notwithstanding the provisions of § 2.2-4309, Code of Virginia, no approval of the Governor shall be required for contract modifications as specified therein for the pilot programs of the selected institutions of higher education referenced in paragraph 1, provided that contract modifications of such projects, including construction and architectural and engineering change orders, shall be approved by the Boards of Visitors, which may further delegate this authority to the President, a Vice President, or the individual responsible for facilities design and construction matters at the selected institution of higher education to act on its behalf.

f. The selected institutions are hereby granted a waiver from the provisions of § 2.2-4301, Competitive Negotiation, subdivision 3a, Code of Virginia, regarding the not to exceed amount of \$100,000 for a single project, the not to exceed sum of \$500,000 for all projects performed, and the option to renew for two additional one-year terms.

g. The provisions of § 4-5.08 c of Chapter 912 of the 1996 Acts of Assembly pertaining to pilot programs for real property leases in selected institutions of higher education, including Old Dominion University, are hereby continued and expanded to include approval of income leases.

h. The University of Virginia and Virginia Polytechnic Institute and State University shall be delegated administrative authority to enter into capital leases on a pilot basis, provided that such capital leases have been specifically authorized by the Governor or the General Assembly pursuant to the Appropriation Act and have been reviewed and approved by the Treasury Board.

i. Notwithstanding any contrary provision of law or this act, delegations of authority in this act to the Governor shall apply only to agencies and personnel within the Executive Department, unless specifically stated otherwise.

j. Virginia Commonwealth University is hereby delegated the authority of the Department of General Services and the Governor provided in §§ 2.2-1149 and 23-4.1, Code of Virginia, to enter into leases with the Virginia Commonwealth University Health System Authority for space within the facilities which are the subject of the Master Lease between the University and the Authority dated June 10, 1997. This delegation of authority is limited to operating leases and excludes capital leases as defined by Generally Accepted Accounting Principles (GAAP).

k. The University of Virginia, with approval of its Board of Visitors, is hereby delegated authority on a pilot basis to acquire easements on property not owned by the university without prior approval by the Department of General Services.”

Page 465, line 45, strike “§ 4-5.09” and insert “§ 4-5.07”.

Page 465, strike lines 46 through 51.

Page 466, strike line 1 and insert:

“a. Agencies shall not acquire real property by lease until the agency certifies to the Director, Department of General Services, that (i) funds are available within the agency’s appropriations made by this act for the cost of the lease and (ii) the volume of leased space conforms with the space planning procedures for leased facilities developed by the Department of General Services and approved by the Governor. The Department of General Service shall report to the Chairmen of the Senate Finance Committee and House Appropriations Committee by September 1 of each year on real property leases that are in effect for the current year, the agency executing the lease, the amount of space leased, and the cost of the annual lease.”

Page 466, strike lines 4 through 6.

Page 466, line 7, strike “§ 4-5.11” and insert “§ 4-5.8”.

Page 466, line 23, strike “§ 4-5.12” and insert “§ 4-5.9”.

Page 466, line 33, strike “§ 4-5.13” and insert “§ 4-5.10”.

Page 467, line 43, after “exceeded.”, insert:

“However, in instances where an appointee’s preappointment compensation exceeded the maximum of the respective salary range, then the salary for that appointee may be set at the maximum salary for the respective salary range.”

Page 472, strike lines 25 through 30.

Page 472, line 31, strike “c)” and insert “b)”.

Page 475, after line 34, insert:

“h. Full-time employees appointed by the Governor and confirmed by the General Assembly, who, except for meeting the minimum service requirements, would be eligible for the provisions of § 51.1-155.1, Code of Virginia, may, upon termination of service, use any severance allowance payment to purchase service to meet, but not exceed, the minimum service requirements of § 51.1-155.1, Code of Virginia. Such service purchase shall be at the rate of 15 percent of the employee’s final creditable compensation or average final compensation, whichever is greater, and shall be completed within 90 days of separation of service.”

Page 476, strike lines 25 through 32 and insert:

“a.1. The term Position Level is defined as the number of full-time equivalent (FTE) salaried employees assigned to an agency in this act. Except as provided in § 4-7.01 b, the Position Level number stipulated in an agency’s appropriation is the upper limit for agency employment which cannot be exceeded during the fiscal year without approval from the Director, Department of Planning and Budget for Executive Department agencies, approval from the Joint Committee on

Rules for Legislative Department agencies or approval from the appropriate governing authority for the independent agencies.

2. Any approval granted under this subsection shall be reported in writing to the Chairmen of the House Appropriations Committee and the Senate Finance Committee, the Governor and the Directors of the Department of Planning and Budget and Department of Human Resource Management within ten days of such approval. Approvals for executive department agencies shall be based on threats to life, safety, health, or property, or on compliance with judicial orders.”

Page 477, strike lines 46 through 51.

Page 478, strike lines 4 through 7 and insert:

“1. The Governor shall submit the information specified in this section to the Chairmen of the House Appropriations and Senate Finance Committees on a monthly basis, or at such intervals as may be directed by said Chairmen, or as specified elsewhere in this act. The information on agency operating plans and expenditures as well as agency budget requests shall be submitted in such form, and by such method, including electronically, as may be mutually agreed upon. Such information shall be preserved for public inspection in the Department of Planning and Budget.”

Page 478, line 15, after “occurs”, insert “, unless otherwise specified in § 4-1.03”.

Page 478, line 22, delete “A report”.

Page 478, strike lines 23 through 25.

Page 478, line 26, strike “(see § 4-1.04 a.4). The” and insert “.”

Page 478, strike lines 27 through 29.

Page 478, line 30, after “deficits”, strike the rest of the line and insert “.”

Page 478, strike lines 31 and 32.

Page 479, strike line 1.

Page 479, line 2, strike “2.”

Page 479, strike lines 16 through 18 and insert:

“b. Annually: Within five calendar days after state agencies submit their budget requests, amendment briefs, requests for amendments, or budget reduction proposals to the Governor, the Governor’s Cabinet Secretaries, Chief-of-Staff, or the Department of Planning and Budget, the Director, Department of Planning and Budget or the affected state agencies shall submit, electronically if available, copies to the Chairmen of the Senate Finance and House Appropriations Committees.”

Revenues

Item 4-2.01 #1c

Nongeneral Fund Revenues

Language

Language:

Page 448, strike lines 38 through 49.

Page 449, strike lines 1 through 42.

Page 449, after line 42, insert:

“1. All nongeneral fund collections by public institutions of higher education, including collections from the sale of dairy and farm products, shall be deposited in the state treasury in accordance with § 2.2-1802, Code of Virginia, and expended by the institutions of higher education in accordance with the appropriations and provisions of this act, provided, however, that this requirement shall not apply to private gifts, endowment funds, or income derived from endowments and gifts.

2. a) The Boards of Visitors or other governing bodies of institutions of higher education may set tuition and fee charges at levels they deem to be appropriate for all resident student groups based on, but not limited to, competitive market rates, provided that the total revenue generated by the collection of tuition and fees from all students is within the nongeneral fund appropriation for educational and general programs provided in this Act.

b) The Boards of Visitors or other governing bodies of institutions of higher education may set tuition and fee charges at levels they deem to be appropriate for all nonresident student groups based

on, but not limited to, competitive market rates, provided that: i) the tuition and mandatory educational and general fee rates for nonresident undergraduate and graduate students cover at least 100 percent of the average cost of their education, as calculated through base adequacy guidelines adopted, and periodically amended, by the Joint Subcommittee Studying Higher Education Funding Policies, and ii) the total revenue generated by the collection of tuition and fees from all students is within the nongeneral fund appropriation for educational and general programs provided in this Act.

c) For institutions charging nonresident students less than 100 percent of the cost of education, the State Council of Higher Education for Virginia may authorize a phased approach to meeting this requirement, when in its judgment, it would result in annual tuition and fee increases for nonresident students that would discourage their enrollment.

d) The Boards of Visitors or other governing bodies of institutions of higher education shall not increase the current proportion of nonresident undergraduate students if the institution's nonresident undergraduate enrollment exceeds 25 percent. Norfolk State University, Virginia Military Institute, Virginia State University, and two-year public institutions are exempt from this restriction.

3. a) In setting the nongeneral fund appropriation for educational and general programs at the institutions of higher education, the General Assembly shall take into consideration the appropriate student share of costs associated with providing full funding of the base adequacy guidelines referenced in subparagraph 2. b), raising average salaries for teaching and research faculty to the 60th percentile of peer institutions, and other priorities set forth in this Act.

b) In determining the appropriate state share of educational costs for resident students, the General Assembly shall seek to cover at least 67 percent of educational costs associated with providing full funding of the base adequacy guidelines referenced in subparagraph 2. b), raising average salaries for teaching and research faculty to the 60th percentile of peer institutions, and other priorities set forth in this Act.

4. a) Each institution and the State Council of Higher Education for Virginia shall monitor tuition, fees, and other charges, as well as the mix of resident and nonresident students, to ensure that the primary mission of providing educational opportunities to citizens of Virginia is served, while recognizing the material contributions provided by the presence of nonresident students. The State Council of Higher Education for Virginia shall also develop and enforce uniform guidelines for reporting student enrollments and the domiciliary status of students.

b) The State Council of Higher Education for Virginia shall report to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees no later than August 1 of each year the annual change in total charges for tuition and all required fees approved and allotted by the Board of Visitors. As it deems appropriate, the State Council of Higher Education for Virginia shall provide comparative national, peer, and market data with respect to charges assessed students for tuition and required fees at institutions outside of the Commonwealth.

c) Institutions of higher education are hereby authorized to make the technology service fee authorized in Chapter 1042, 2003 Acts of Assembly, part of ongoing tuition revenue. Such revenues shall continue to be used to supplement technology resources at the institutions of higher education.

d) Each institution shall work with the State Council of Higher Education for Virginia and the Virginia College Savings Plan to determine appropriate tuition and fee estimates for tuition savings plans.

5. a) It is the intent of the General Assembly that each institution's combined general and nongeneral fund appropriation within its educational and general program closely approximate the anticipated annual budget each fiscal year.

b) In coordination with the institutions, the State Council of Higher Education for Virginia shall report no later than August 1 of each year on the estimated amount of revenue each institution expects to collect from tuition and mandatory educational and general fees during the fiscal year.

c) This report shall serve as the foundation for any administrative increase in nongeneral fund appropriations within the institutions' educational and general programs that approved by the Director, Department of Planning and Budget, pursuant to the authority provided in Section 4-1.04 of this Act.

d) Effective July 1, 2004, each institution must notify the Executive Director, State Council of Higher Education for Virginia, prior to requesting an administrative increase to the nongeneral fund appropriation within its educational and general program. Within 30 days of receiving such notification, the Director of the State Council of Higher Education for Virginia shall review and provide comment, as necessary, to the Director, Department of Planning and Budget. The Director, Department of Planning and Budget, shall evaluate the institution's request along with any comments received from the Executive Director, State Council of Higher Education for Virginia, prior to taking action on the requested administrative increase.

e) In consultation with the Director, Department of Planning and Budget, the Executive Director, State Council of Higher Education for Virginia, shall include a summary of all requested and approved administrative increases to nongeneral fund appropriations within the educational and general programs of the institutions of higher education as part of the 2005 annual nongeneral fund revenue report and subsequent reports.

f) In consultation with the Department of Planning and Budget and the State Council of Higher Education for Virginia, the Governor shall reconcile actual nongeneral fund expenditures with nongeneral fund appropriations included in the Act and recommend technical adjustments, as he deems appropriate, in submitting his budget amendments prior to the next General Assembly session.

6. a) Nonresident graduate students employed by an institution as teaching assistants, research assistants, or graduate assistants and paid at an annual contract rate of \$4,000 or more may be considered resident students for the purposes of charging tuition and fees.

b) By October 1, 2005, the State Council of Higher Education for Virginia shall prepare a report on nonresident tuition waivers, including how waivers contribute to institutions' ability to attract and retain research funding and an analysis of the return on investment for the institutions and the Commonwealth through the use of these waivers. At the request of the State Council of Higher Education for Virginia, the Department of Taxation and the Virginia Employment Commission shall provide appropriate unit record data to support these analyses.

7. The fund source "Higher Education Operating" within educational and general programs for institutions of higher education includes tuition and fee revenues from nonresident students to pay their proportionate share of the amortized cost of the construction of buildings approved by the Commonwealth of Virginia Educational Institutions Bond Act of 1992 and the Commonwealth of Virginia Educational Facilities Bond Act of 2002.

8. a) Mandatory fees for purposes other than educational and general programs shall not be increased for Virginia undergraduates beyond five percent annually, excluding requirements for wage, salary, and fringe benefit increases, authorized by the General Assembly. Fee increases required to carry out actions that respond to mandates of federal agencies are also exempt from this provision, provided that a report on the purposes of the amount of the fee increase is submitted to the Chairmen of the House Appropriations and Senate Finance Committees by the institution of higher education at least 30 days prior to the effective date of the fee increase.

b) This restriction shall not apply in the following instances: fee increases directly related to capital projects authorized by the General Assembly; fee increases to support student health services; and other fee increases specifically authorized by the General Assembly.

c) Due to the small mandatory non-educational and general program fees currently assessed students in the Virginia Community College System, increases in any one year of no more than \$15 shall be allowed on a cost-justified case-by-case basis, subject to approval by the State Board for Community Colleges.

9. Any institution of higher education granting new tuition waivers to resident or nonresident students not authorized by the Code of Virginia must absorb the cost of any discretionary waivers.

10. Tuition and fee revenues from nonresident students taking courses through Virginia institutions from the Southern Regional Education Board's Southern Regional Electronic Campus must exceed all direct and indirect costs of providing instruction to those students. Tuition and fee rates to meet this requirement shall be established by the Board of Visitors of the institution.

11. For students enrolling for the first time after August 1, 2004, the entitlement to resident charges, at four-year institutions, shall not extend beyond 125 percent of the credit hours needed to satisfy the degree requirements for a particular undergraduate program excluding transfer or advanced placement credits. Resident students taking in excess of 125 percent of the credit hours needed to satisfy the degree requirements for a particular program shall not be eligible to receive awards through state-sponsored financial aid programs. The State Council of Higher Education for Virginia shall establish procedures through which institutions shall implement this provision.”

Capital Projects
General

Item 4-4.01 #1c

Language

Language:

Page 458, line 23, after “x.”, insert:

“Prior to requesting authorization for new dormitory capital projects, institutions of higher education shall conduct a cost study to determine whether an alternative financing arrangement or public-private transaction would provide a more effective option for the construction of the proposed facility. This study shall be submitted to the Department of Planning and Budget as part of the budget development process and shall be evaluated by the Governor prior to submitting his proposed budget.”

Capital Projects
General

Item 4-4.01 #2c

Language

Language:

Page 457, after line 11, insert:

“c. Blanket authorizations funded entirely by nongeneral funds may be used for 1) renovation and infrastructure projects costing up to \$2,000,000 and 2) the planning of nongeneral fund new construction and renovation projects through bidding, with bid award made after receipt of a construction authorization. The Director, Department of Planning and Budget, may provide exemptions to the threshold.”

Capital Projects
General

Item 4-4.01 #3c

Language

Language:

Page 454, after line 46, insert:

“f. It is the intent of the General Assembly that the Department of Conservation and Recreation shall be authorized to initiate and accept by gift or purchase with nongeneral fund dollars any lands for State Park or Natural Area purposes which may become available, and that are not specifically appropriated by the General Assembly, when such acquisitions are made in accordance with the provisions of this section and other applicable provisions of state law including approval by the Governor.”

Page 454, line 47, strike “f.” and insert “g.”

Page 455, line 7, strike “g.” and insert “h.”

Page 455, line 16, strike “h.” and insert “i.”

Page 455, line 34, strike “i.” and insert “j.”

Page 455, line 54, strike “j.” and insert “k.”

Page 456, line 2, strike “k.” and insert “l.”

Page 456, line 10, strike “l.” and insert “m.”

- Page 456, line 12, strike "m." and insert "n."
- Page 456, line 37, strike "n." and insert "o."
- Page 457, line 17, strike "o." and insert "p."
- Page 457, line 23, strike "p." and insert "q."
- Page 457, line 29, strike "q." and insert "r."
- Page 457, line 31, strike "r." and insert "s."
- Page 457, line 32, strike "s." and insert "t."
- Page 457, line 39, strike "t." and insert "u."
- Page 457, line 47, strike "u." and insert "v."
- Page 457, line 52, strike "v." and insert "w."
- Page 458, line 16, strike "w." and insert "x."
- Page 458, line 23, strike "x." and insert "y."

Special Conditions and Restrictions on Expenditures
 Third Party Transactions

Item 4-5.04 #1c
 Language

Language:

Page 461, after line 10, insert:

"d. DEBT COLLECTION SERVICES:

1. Notwithstanding any provision of the Code of Virginia or this act to the contrary, the Virginia Commonwealth University Health System Authority shall have the option to participate in the Office of Attorney General's debt collection process. Should the Authority choose not to participate, the Authority shall have the authority to collect its accounts receivable by engaging private collection agents and attorneys to pursue collection actions, and to independently compromise, settle, and discharge accounts receivable claims.
2. Notwithstanding any provision of the Code of Virginia or this act to the contrary, the University of Virginia Medical Center shall have the authority to collect its accounts receivable by engaging private collection agents and attorneys to pursue collection actions, and to independently compromise, settle, and discharge accounts receivable claims, provided that the University of Virginia demonstrates to the Secretary of Finance that debt collection by an agent other than the Office of the Attorney General is anticipated to be more cost effective. Nothing in this paragraph is intended to limit the ability of the University of Virginia Medical Center from voluntarily contracting with the Office of the Attorney General's Division of Debt Collection in cases where the Center would benefit from the expertise of legal counsel and collection services offered by Office of the Attorney General.
3. Notwithstanding any provision of the Code of Virginia or this act to the contrary, the Department of Taxation shall be exempt from participating in the debt collection process of the Office of the Attorney General."

Special Conditions and Restrictions on Expenditures
 Goods and Services

Item 4-5.06 #1c
 Language

Language:

Page 462, line 45, after "request from" insert:

"the Virginia Community College System or from".

Special Conditions and Restrictions on Expenditures
 Goods and Services

Item 4-5.06 #2c
 Language

Language:

Page 463, after line 9, insert:

“g. To ensure that the Commonwealth's research universities maintain a competitive position with access to the national optical research network infrastructure including the National LambdaRail and Internet2, the NetworkVirginia Contract Administrator is hereby authorized to renegotiate the term of the existing contracts. Additionally, the contract administrator is authorized to competitively negotiate additional agreements in accordance with the Code of Virginia and all applicable regulations, as required, to establish and maintain research network infrastructure.”

Positions and Employment

Item 4-6.01 #1c

Employee Compensation

Language

Language:

Page 468, line 16, after “Science Museum of Virginia,” insert:

“The Virginia Museum of Natural History,”.

Positions and Employment

Item 4-6.01 #2c

Employee Compensation

Language

Language:

Page 470, strike lines 45 and 46.

Positions and Employment

Item 4-6.01 #3c

Employee Compensation

Language

Language:

Page 470, strike lines 31 and 32.

Positions and Employment

Item 4-6.01 #4c

Employee Compensation

Language

Language:

Page 472, line 45, strike “\$84,128 \$84,128 \$86,652” and insert:

“\$105,000 \$105,000 \$108,150”.

Positions and Employment

Item 4-6.01 #5c

Employee Compensation

Language

Language:

Page 469, after line 15, insert:

“Commissioner, Department of Veterans Services \$104,891 \$104,891 \$108,038”.

Page 471, line 8, strike “\$81,105 \$81,105 \$83,538” and insert:

“\$96,360 \$96,360 \$99,251”.

Page 471, strike lines 43 and 44.

Positions and Employment

Item 4-6.01 #6c

Employee Compensation

Language

Page 495, strike lines 1 through 59.

Page 496, strike lines 1 through 46.

Page 497, strike lines 1 through 54.

Page 498, strike lines 1 through 54.

Page 499, strike lines 1 through 53.

Page 500, strike lines 1 through 53.

Page 501, strike lines 1 through 23 and insert:

“PART 5: ENACTMENT NUMBERS 2 THROUGH 5

2. That §§ 4.1-230, 4.1-231, 16.1-69.6:1, 17.1-507, 19.2-163.2 of the Code of Virginia are amended and re-enacted, and that the Code of Virginia is amended by adding in Article 13 of Chapter 3 of Title 58.1 a section numbered 58.1-439.12:01 as follows:

Page 479, after line 42, insert:

“2. That §§ 4.1-230 and 4.1-231 of the Code of Virginia are amended and re-enacted as follows:

§ 4.1-230. Applications for licenses; publication; notice to localities; fees; permits.

A. Every person intending to apply for any license authorized by this chapter shall file with the Board an application on forms provided by the Board and a statement in writing, under oath, setting forth any information required by the Board. Applications for banquet, tasting, mixed beverage special events, or club events licenses shall not be required to be under oath, but the information contained therein shall be certified as true by the applicant.

B. In addition, each applicant for a license under the provisions of this chapter, except applicants for banquet, tasting, special events, club events, wine or beer shipper’s, wine and beer shipper’s, or museum licenses issued under the provisions of Chapter 2 (§ 4.1-200 et seq.) of this title, or beer or wine importer’s licenses located outside the Commonwealth, shall post a notice of his application with the Board on the front door of the building, place or room where he proposes to engage in such business for no more than 30 days and not less than 10 days. Such notice shall be of a size and contain such information as required by the Board.

The applicant shall cause a copy of such notice to be published at least once a week for two consecutive weeks in a newspaper published in or having a general circulation in the county, city or town wherein such applicant proposes to engage in such business. In the case of wine or beer shipper’s licensees, wine and beer shipper’s licensees, or operators of boats, dining cars, buffet cars, club cars, and airplanes, the posting and publishing of notice shall not be required.

Except for applicants for banquet, tasting, mixed beverage special events, club events, or museum licenses, the Board shall conduct a background investigation, to include a criminal history records search, on each applicant for a license.

The Board shall notify the local governing body of each license application through the county or city attorney or the chief law-enforcement officer of the locality. Local governing bodies shall submit objections to the granting of a license within 30 days of the filing of the application.

C. Each applicant shall pay the required application fee at the time the application is filed. Each license application fee shall be ~~\$50~~ 65, plus ~~\$15~~ 20 for each criminal history records search required by the Board, except for banquet, tasting, mixed beverage special events, or mixed beverage club events licenses, in which case the application fee shall be \$15. Application fees shall be in addition to the state license ~~tax~~ fee required pursuant to § 4.1-231 and shall not be refunded.

D. Subsection A shall not apply to the continuance of licenses granted under this chapter.

E. Every application for a permit granted pursuant to § 4.1-212 shall be on a form provided by the Board. In the case of applications to solicit the sale of wine and beer or spirits, each application shall be accompanied by a fee of \$ ~~125~~ 165 and ~~\$300~~ 390, respectively. The fee for each such permit shall be subject to proration to the following extent: If the permit is granted in the second quarter of any year, the fee shall be decreased by one-fourth; if granted in the third quarter of any year, the fee shall be decreased by one-half; and if granted in the fourth quarter of any year, the fee shall be decreased by three-fourths. Each such permit shall expire on June 30 next succeeding the date of issuance, unless sooner suspended or revoked by the Board. Such permits shall confer upon their holders no authority to make solicitations in the Commonwealth as otherwise provided by law.

The fee for a temporary permit shall be one-twelfth of the combined fees required by this section for applicable licenses to sell wine, beer, or mixed beverages computed to the nearest cent and multiplied by the number of months for which the permit is granted.

The fee for a keg registration permit shall be ~~\$50~~ 65 annually.

The fee for a permit for the storage of lawfully acquired alcoholic beverages not under customs bond or internal revenue bond in warehouses located in the Commonwealth shall be ~~\$200~~ 260 annually.

§ 4.1-231. Taxes on state licenses.

A. The annual ~~taxes~~ fees on state licenses shall be as follows:

1. Alcoholic beverage licenses. For each:

a. Distiller's license, if not more than 5,000 gallons of alcohol or spirits, or both, manufactured during the year in which the license is granted, ~~\$350~~ 450; and if more than 5,000 gallons manufactured during such year, ~~\$2,860~~ 3,725;

b. Fruit distiller's license, ~~\$2,860~~ 3,725;

c. Banquet facility license or museum license, ~~\$145~~ 190;

d. Bed and breakfast establishment license, ~~\$25~~ 35;

e. Tasting license, ~~\$30~~ 40 per license granted; and

f. Equine sporting event license, ~~\$100~~ 130.

2. Wine licenses. For each:

a. Winery license, if not more than 5,000 gallons of wine manufactured during the year in which the license is granted, ~~\$145~~ 189, and if more than 5,000 gallons manufactured during such year, ~~\$2,860~~ 3,725;

b. Wholesale wine license, ~~\$715~~ 930 for any wholesaler who sells 150,000 gallons of wine or less per year, ~~\$1,100~~ 1,430 for any wholesaler who sells more than 150,000 but not more than 300,000 gallons of wine per year, and ~~\$1,430~~ 1,860 for any wholesaler who sells more than 300,000 gallons of wine per year;

c. Wine importer's license, ~~\$285~~ 370;

d. Retail off-premises winery license, ~~\$110~~ 145;

e. Farm winery license, ~~\$145~~ 190 for any Class A license and ~~\$2,860~~ 3,725 for any Class B license; and

f. Wine shipper's license, ~~\$50~~ 65.

3. Beer licenses. For each:

a. Brewery license, if not more than 10,000 barrels of beer manufactured during the year in which the license is granted, ~~\$1,650~~ 2,150, and if more than 10,000 barrels manufactured during such year, ~~\$3,300~~ 4,300;

b. Bottler's license, ~~\$1,100~~ 1,430;

c. Wholesale beer license, ~~\$715~~ 930 for any wholesaler who sells 300,000 cases of beer a year or less, and ~~\$1,100~~ 1,430 for any wholesaler who sells more than 300,000 but not more than 600,000 cases of beer a year, and ~~\$1,430~~ 1,860 for any wholesaler who sells more than 600,000 cases of beer a year;

d. Beer importer's license, ~~\$285~~ 370;

e. Retail on-premises beer license to a hotel, restaurant, club or other person, except a common carrier of passengers by train or boat, ~~\$110~~ 145; for each such license to a common carrier of passengers by train or boat, ~~\$110~~ 145 per annum for each of the average number of boats, dining cars, buffet cars or club cars operated daily in the Commonwealth;

f. Retail off-premises beer license, ~~\$90~~ 120;

g. Retail on-and-off premises beer license to a hotel, restaurant, club or grocery store located in a town or in a rural area outside the corporate limits of any city or town, ~~\$230~~ 300; and

h. Beer shipper's license, ~~\$50~~ 65.

4. Wine and beer licenses. For each:

a. Retail on-premises wine and beer license to a hotel, restaurant, club or other person, except a common carrier of passengers by train, boat or airplane, ~~\$230~~ 300; for each such license to a common carrier of passengers by train or boat, ~~\$230~~ 300 per annum for each of the average number

of boats, dining cars, buffet cars or club cars operated daily in the Commonwealth, and for each such license granted to a common carrier of passengers by airplane, ~~\$575~~ 750;

b. Retail on-premises wine and beer license to a hospital, ~~\$110~~ 145;

c. Retail off-premises wine and beer license, including each gift shop, gourmet shop and convenience grocery store license, ~~\$175~~ 230;

d. Retail on-and-off premises wine and beer license to a hotel, restaurant or club, ~~\$460~~ 600;

e. Banquet license, ~~\$30~~ 40 per license granted by the Board;

f. Gourmet brewing shop license, ~~\$175~~ 230; and

g. Wine and beer shipper's license, ~~\$50~~ 65.

5. Mixed beverage licenses. For each:

a. Mixed beverage restaurant license granted to persons operating restaurants, including restaurants located on premises of and operated by hotels or motels, or other persons:

(i) With a seating capacity at tables for up to 100 persons, ~~\$430~~ 560;

(ii) With a seating capacity at tables for more than 100 but not more than 150 persons, ~~\$750~~ 975; and

(iii) With a seating capacity at tables for more than 150 persons, ~~\$1,100~~ 1,430.

b. Mixed beverage restaurant license for restaurants located on the premises of and operated by private, nonprofit clubs:

(i) With an average yearly membership of not more than 200 resident members, ~~\$575~~ 750;

(ii) With an average yearly membership of more than 200 but not more than 500 resident members, ~~\$1,430~~ 1,860; and

(iii) With an average yearly membership of more than 500 resident members, ~~\$2,125~~ 2,765.

c. Mixed beverage caterer's license, ~~\$1,430~~ 1,860.

d. Mixed beverage special events license, ~~\$35~~ 45 for each day of each event.

e. Mixed beverage club events licenses, ~~\$25~~ 35 for each day of each event.

f. Annual mixed beverage special events license, ~~\$430~~ 560.

g. Mixed beverage carrier license:

(i) ~~\$145~~ 190 for each of the average number of dining cars, buffet cars or club cars operated daily in the Commonwealth by a common carrier of passengers by train;

(ii) ~~\$430~~ 560 for each common carrier of passengers by boat;

(iii) ~~\$1,135~~ 1,475 for each license granted to a common carrier of passengers by airplane;

h. Annual mixed beverage amphitheater license, ~~\$430~~ 560; and

i. Annual mixed beverage motor sports race track license, ~~\$430~~ 560.

6. Temporary licenses. For each temporary license authorized by § 4.1-211, one-half of the tax imposed by this section on the license for which the applicant applied.

B. The tax on each such license, except banquet and mixed beverage special events licenses, shall be subject to proration to the following extent: If the license is granted in the second quarter of any year, the tax shall be decreased by one-fourth; if granted in the third quarter of any year, the tax shall be decreased by one-half; and if granted in the fourth quarter of any year, the tax shall be decreased by three-fourths.

If the license on which the tax is prorated is a distiller's license to manufacture not more than 5,000 gallons of alcohol or spirits, or both, during the year in which the license is granted, or a winery license to manufacture not more than 5,000 gallons of wine during the year in which the license is granted, the number of gallons permitted to be manufactured shall be prorated in the same manner.

Should the holder of a distiller's license or a winery license to manufacture not more than 5,000 gallons of alcohol or spirits, or both, or wine, apply during the license year for an unlimited distiller's or winery license, such person shall pay for such unlimited license a license tax equal to the amount that would have been charged had such license been applied for at the time that the license to manufacture less than 5,000 gallons of alcohol or spirits or wine, as the case may be, was granted, and such person shall be entitled to a refund of the amount of license tax previously paid on the limited license.

Notwithstanding the foregoing, the tax on each license granted or reissued for a period of less than 12 months shall be equal to one-twelfth of the taxes required by subsection A computed to the nearest cent, multiplied by the number of months in the license period.

C. Nothing in this chapter shall exempt any licensee from any state merchants' license or state restaurant license or any other state tax. Every licensee, in addition to the taxes imposed by this chapter, shall be liable to state merchants' license taxation and state restaurant license taxation and other state taxation the same as if the alcoholic beverages were nonalcoholic. In ascertaining the liability of a beer wholesaler to merchants' license taxation, however, and in computing the wholesale merchants' license tax on a beer wholesaler, the first \$163,800 of beer purchases shall be disregarded; and in ascertaining the liability of a wholesale wine distributor to merchants' license taxation, and in computing the wholesale merchants' license tax on a wholesale wine distributor, the first \$163,800 of wine purchases shall be disregarded.

§ 16.1-69.6:1. Number of judges.

For the several judicial districts there shall be full-time general district court judges and juvenile and domestic relations district court judges, the number as hereinafter set forth, who shall during their service reside within their respective districts, except as provided in § 16.1-69.16, and whose compensation and powers shall be the same as now and hereafter prescribed for general district court judges and juvenile and domestic relations district court judges.

The number of judges of the districts shall be as follows:

	General District Court Judges	Juvenile and Domestic Relations District Court Judges
First	4	3
Second	7	7
Two-A	1	1
Third	3	3
Fourth	6	5
Fifth	3	2
Sixth	4	2
Seventh	4	3
Eighth	3	3
Ninth	3	3
Tenth	3	3
Eleventh	2	2
Twelfth	4	5
Thirteenth	8	5
Fourteenth	4	4
Fifteenth	5	6 7
Sixteenth	4	4
Seventeenth	4	2
Eighteenth	2	2
Nineteenth	10	7
Twentieth	3	2

Twenty-first	2	2
Twenty-second	2	3
Twenty-third	5	4
Twenty-fourth	4	5
Twenty-fifth	5	4

The general district court judges of the twenty-fifth district shall render assistance on a regular basis to the general district court judges of the twenty-sixth district by appropriate designation.

Twenty-sixth	4	4
Twenty-seventh	4	3 4
Twenty-eighth	2	2
Twenty-ninth	3	2
Thirtieth	2	2
Thirty-first	4	5

The election or appointment of any district judge shall be subject to the provisions of § 16.1-69.9:3. § 17.1-507. Number of judges; residence requirement; compensation; powers; etc.

A. For the several judicial circuits there shall be judges, the number as hereinafter set forth, who shall during their service reside within their respective circuits and whose compensation and powers shall be the same as now and hereafter prescribed for circuit judges.

The number of judges of the circuits shall be as follows:

First - 4 5
 Second - 10
 Third - 4
 Fourth - 9
 Fifth - 3
 Sixth - 2
 Seventh - 5
 Eighth - 4
 Ninth - 4
 Tenth - 3
 Eleventh - 3
 Twelfth - 5
 Thirteenth - 8
 Fourteenth - 4 5
 Fifteenth - 7 8
 Sixteenth - 5
 Seventeenth - 4
 Eighteenth - 3
 Nineteenth - 15
 Twentieth - 4
 Twenty-first - 3
 Twenty-second - 3 4
 Twenty-third - 6
 Twenty-fourth - 5
 Twenty-fifth - 4
 Twenty-sixth - 5
 Twenty-seventh - 5

Twenty-eighth - 2

Twenty-ninth - 3 4

Thirtieth - 3

Thirty-first - 5

B. No additional circuit court judge shall be authorized or provided for any judicial circuit until the Judicial Council has made a study of the need for such additional circuit court judge and has reported its findings and recommendations to the Courts of Justice Committees of the House of Delegates and Senate. The boundary of any judicial circuit shall not be changed until a study has been made by the Judicial Council and a report of its findings and recommendations made to said Committees.

C. If the Judicial Council finds the need for an additional circuit court judge after a study is made pursuant to subsection B, the study shall be made available to the Compensation Board and the Courts of Justice Committees of the House of Delegates and Senate and Council shall publish notice of such finding in a publication of general circulation among attorneys licensed to practice in the Commonwealth. The Compensation Board shall make a study of the need to provide additional courtroom security and deputy court clerk staffing. This study shall be reported to the Courts of Justice Committees of the House of Delegates and the Senate, and to the Department of Planning and Budget.

§ 19.2-163.2. Commission to appoint public defenders in selected locations; compensation, assistants, offices, etc., of public defenders.

The duties of the Public Defender Commission, hereinafter referred to as "the Commission," are:

1. To recommend to the General Assembly the areas in which a public defender office is to be established, and to establish such an office in:

- a. the City of Virginia Beach;
- b. the City of Petersburg;
- c. the Cities of Buena Vista, Lexington, Staunton and Waynesboro and the Counties of Augusta and Rockbridge;
- d. the City of Roanoke;
- e. the City of Portsmouth;
- f. the City of Richmond;
- g. the Counties of Clarke, Frederick, Page, Shenandoah and Warren, and the City of Winchester;
- h. the City and County of Fairfax;
- i. the City of Alexandria;
- j. the City of Radford and the Counties of Bland, Pulaski and Wythe;
- k. the Counties of Fauquier, Loudoun and Rappahannock;
- l. the City of Suffolk;
- m. the City of Franklin and the Counties of Isle of Wight and Southampton;
- n. the City of Bedford and the County of Bedford;
- o. the City of Danville;
- p. the Counties of Halifax, Lunenburg and Mecklenburg;
- q. the City of Fredericksburg and the Counties of King George, Stafford and Spotsylvania;
- r. the City of Lynchburg;
- s. the City of Martinsville and the Counties of Henry and Patrick;
- t. the City of Charlottesville and the County of Albemarle; ~~and~~
- u. the City of Norfolk;
- v. *the County of Arlington and the City of Falls Church;*
- w. *the City of Newport News;*
- x. *the City of Chesapeake; and*
- y. *the City of Hampton.*

2. To appoint a public defender for each of the above offices to serve at the pleasure of the Commission, who shall devote his full time to his duties and not engage in the private practice of

law. The Commission shall fix the compensation of each public defender and all other personnel in each public defender office.

3. To authorize the public defender to employ such assistants as authorized by the Commission. Such assistants shall devote such time to the performance of their duties as may be required by the public defender or the Commission and may engage in the private practice of law.

4. To authorize the public defender to employ such staff, including secretarial and investigative personnel, as may be necessary to carry out the duties imposed upon the public defender office.

5. To authorize the public defender to secure such office space as needed, to purchase or rent office equipment, to purchase supplies and to incur such expenses as are necessary to carry out the duties imposed upon him.

6. To receive and expend moneys appropriated by the General Assembly of Virginia and to receive other moneys as they become available to it and expend the same in order to carry out the duties imposed upon it.

7. In any case in which a public defender or his assistant represents an indigent person charged with an offense and such person is convicted, such sum as would have been allowed a court-appointed attorney as compensation and as reasonable expenses shall be taxed against the person defended as a part of the costs of the prosecution, and, if collected, shall be paid to the Commonwealth or to the appropriate county, city or town if payment was made to the Commonwealth by a locality for defense of a local ordinance violation. An abstract of such costs shall be docketed in the judgment lien docket and execution book of the court.

8. To require and ensure that each public defender office collects and maintains caseload data and fields in a case management database on an annual basis.

9. To report annually on or before October 1 to the Virginia State Crime Commission, the House and Senate Committees for Courts of Justice, the House Committee on Appropriations, and the Senate Committee on Finance detailing Virginia's ranking amongst the fifty states in terms of pay allowed for court-appointed counsel, cost effectiveness of the various public defender offices and the cost effectiveness of establishing public defender offices in those localities that do not offer public defender services.

10. To establish four regional capital defense units by the end of fiscal year 2004.

§ 58.1-439.12:01. Credit for cigarettes manufactured and exported.

A. For purposes of this section:

"Base year export volume" means the number of cigarettes manufactured by a corporation, which cigarettes were also exported by such manufacturer during its taxable year beginning in calendar year 2004.

"Cigarette or cigarettes" means the same as that term is defined in § 58.1-1031.

"Current year export volume" means the number of cigarettes manufactured by a corporation, which cigarettes were also exported by such manufacturer in the taxable year for which credit under this section is claimed. The term shall only apply for taxable years beginning on and after January 1, 2006.

"Exported" or "exports" means the shipment of cigarettes to a foreign country.

"Manufactured" or "manufactures" means manufactured in Virginia.

B. For taxable years beginning on and after January 1, 2006, but before January 1, 2016, any corporation that manufactures cigarettes in Virginia, which cigarettes are exported by such manufacturer, shall be allowed a credit against the tax imposed by § 58.1-400 for such exported cigarettes as follows:

1. If the current year export volume of the corporation is less than 50 percent of the base year export volume for the corporation, no credit shall be allowed for the taxable year.

2. If the current year export volume of the corporation is at least 50 percent but less than 60 percent of the base year export volume for the corporation, the credit allowed shall equal \$0.20 per 1,000 cigarettes of the current year export volume.

3. If the current year export volume of the corporation is at least 60 percent but less than 80 percent of the base year export volume for the corporation, the credit allowed shall equal \$0.25 per 1,000 cigarettes of the current year export volume.

4. If the current year export volume of the corporation is at least 80 percent but less than 100 percent of the base year export volume for the corporation, the credit allowed shall equal \$0.30 per 1,000 cigarettes of the current year export volume.

5. If the current year export volume of the corporation is at least 100 percent but less than 120 percent of the base year export volume for the corporation, the credit allowed shall equal \$0.35 per 1,000 cigarettes of the current year export volume.

6. If the current year export volume of the corporation is at least 120 percent of the base year export volume for the corporation, the credit allowed shall equal \$0.40 per 1,000 cigarettes of the current year export volume.

C. In no event shall the credit allowed under this section for any taxable year to any corporation exceed the lesser of \$6 million or 50 percent of the corporation's income tax liability to the Commonwealth for such taxable year.

D. The total amount of tax credits granted under this section for each fiscal year of the Commonwealth shall not exceed \$6 million. A corporation meeting the requirements of this section shall be eligible to receive a tax credit to the extent the corporation reserves such tax credit through the Department as provided herein.

The Department shall establish policies and procedures for the reservation of tax credits by eligible corporations. Such policies and procedures shall provide (i) requirements for applying for reservations of tax credits; (ii) a system for allocating the available amount of tax credits among eligible corporations; (iii) a method for the issuance of reservations to eligible corporations that did not initially receive a reservation in any year, if the Department determines that tax credit reservations were issued to other corporations that did not use, or were determined to be wholly or partially ineligible for, a reserved tax credit; and (iv) a procedure for the cancellation and reallocation of tax credit reservations allocated to eligible corporations that, after reserving tax credits, have been determined to be ineligible for all or a portion of the tax credits reserved. In no case shall a corporation be allowed to carry over any tax credit to be applied against any income tax for taxable years subsequent to the taxable year of export.

Actions of the Department relating to the approval or denial of applications for reservations for tax credits pursuant to this section shall be exempt from the provisions of the Administrative Process Act pursuant (§ 2.2-4000 et seq.).

E. A corporation claiming the credit under this section for a taxable year shall submit with its application for reservation of tax credits and its state income tax return a written statement certifying its base year export volume and current year export volume. It shall also submit with such application and return a listing of its export volumes as reported on its monthly reports to the Bureau of Alcohol, Tobacco and Firearms of the United States Department of the Treasury for each month of the taxable year and a listing for each month of the taxable year of its export volumes.

3. That the Tax Commissioner shall develop and publish guidelines for purposes of implementing the provisions of the second enactment of this act in regard to the tax credit for the manufacturer and export of cigarettes, including guidelines addressing an adjustment to the credit allowed pursuant to such second enactment for cigarettes that are exported but later returned to the manufacturer. The development of such guidelines shall be exempt from the Administrative Process Act (§ 2.2-4000 et seq.) of the Code of Virginia.

4. That the provisions of the first enactment of this act shall expire midnight on June 30, 2006. The provisions of the second and third enactments of this act shall have no expiration date.

5. That this act is effective on July 1, 2004.

Respectfully submitted,

/s/ Vincent F. Callahan, Jr.
/s/ Phillip A. Hamilton
/s/ M. Kirkland Cox *
/s/ Leo C. Wardrup, Jr. *
/s/ Johnny S. Joannou *
House Conferees

/s/ John H. Chichester
/s/ William C. Wampler, Jr.
/s/ Walter A. Stosch
/s/ Charles J. Colgan
Senate Conferees

Concurring Opinion on Conference Committee Report
on House Bill 5001

As conferees appointed on behalf of the House of Delegates, we are signing the Conference Committee report as a compromise settlement and in order to discharge our responsibilities to the citizens of the Commonwealth. However, we disagree on several key budgetary issues, including but not limited to the following:

- 1) Failure to address and correct the acceleration of sales tax collections which results in retailers having to remit approximately \$180 million in sales taxes in advance of actual collections.
- 2) Failure to aggressively set aside more cash in order to accelerate the replenishment of the Revenue Stabilization Fund.
- 3) Failure to include general fund cash for major maintenance and systems repairs to at least the level proposed in the introduced budget.
- 4) Failure to restrict new initiatives and failure to contain general fund spending on current programs, both of which may lead to demands for additional tax increases in the next biennium.

Respectfully submitted,

/s/ M. Kirkland Cox
/s/ Johnny S. Joannou

/s/ Leo C. Wardrup, Jr.

Senator Chichester moved that the joint conference committee report be agreed to.

Senator Stolle moved, as a substitute motion, that the concurring opinion be removed from the joint conference committee report on **H.B. 5001**.

PARLIAMENTARY INQUIRY

Senator Norment propounded a parliamentary inquiry as to whether it was in order for the Senate to divide the concurring opinion on the conference committee report on **H.B. 5001** from the conference committee report on **H.B. 5001**. Senator Norment propounded a further parliamentary inquiry as to whether the conference committee report on **H.B. 5001** would be in jeopardy if the concurring opinion on the conference committee report on **H.B. 5001** was rejected.

The Chair stated that a motion to amend the conference committee report on **H.B. 5001** was out of order, pursuant to Section XLVI of Jefferson's Manual, which states, "... This report can not be amended or altered, as that of a committee may be."

The question was put on agreeing to the joint conference committee report.

The joint conference committee report was agreed to.

The recorded vote is as follows:

YEAS--32. NAYS--5. RULE 36--0.

YEAS--Bell, Blevins, Chichester, Colgan, Deeds, Devolites, Edwards, Hanger, Houck, Lambert, Locke, Lucas, Marsh, Martin, Miller, Mims, Norment, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--32.

NAYS--Bolling, Cuccinelli, Obenshain, O'Brien, Ruff--5.

RULE 36--0.

PAIR ANNOUNCED

Senator Newman, in accordance with the provisions of Senate Rule 36, announced a pair with Senator Hawkins on the vote, and stated that he would have voted nay on the question of agreeing to the joint conference committee report on **H.B. 5001** and that Senator Hawkins, had he been present, would have voted yea.

Senator Chichester was ordered to inform the House of Delegates thereof.

INTRODUCTION OF LEGISLATION

Senator Stolle, by leave, under Senate Rule 11 (b), presented the following joint resolution which was ordered to be printed and referred:

S.J.R. 5020. Election of General District Court Judges.

Patron--Stolle

Referred to Committee for Courts of Justice

IMMEDIATE CONSIDERATION

Senator Stolle moved that the Rules be suspended, the Committee for Courts of Justice be discharged from further consideration of **S.J.R. 5020** (five thousand twenty), the first reading of the title be waived, and the joint resolution be taken up for immediate consideration.

The motion was agreed to.

The recorded vote is as follows:

YEAS--37. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Houck, Lambert, Locke, Lucas, Marsh, Martin, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--37.

NAYS--0.

RULE 36--0.

S.J.R. 5020 was read by title the second time and, on motion of Senator Stolle, was ordered to be engrossed and read by title the third time.

Senator Stolle moved that the Rules be suspended and the third reading of the title of **S.J.R. 5020** be waived.

The motion was agreed to.

The recorded vote is as follows:

YEAS--36. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Houck, Lambert, Locke, Lucas, Marsh, Martin, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--36.

NAYS--0.

RULE 36--0.

SENATE JOINT RESOLUTION NO. 5020

Election of General District Court Judges.

RESOLVED by the Senate, the House of Delegates concurring, That the General Assembly, shall proceed this day at 12:35 p.m.

To the election of General District Court judges for a term of six years commencing as follows:

One judge for the Second Judicial District, term commencing June 1, 2004.

One judge for the Thirteenth Judicial District, term commencing June 1, 2004.

One judge for the Sixteenth Judicial District, term commencing June 1, 2004.

And that in the execution of the joint order nominations shall be made in the order herein named, and that each house shall be notified of said nominations, and when the rolls shall be called for the whole number, the presiding officers of each house shall appoint a committee of four, which together shall constitute the joint committee to count the vote of each house in each case and report the results to their respective houses. The joint order may be suspended by the presiding officer of either house at any time but for no longer than 24 hours to receive the report of the joint committee.

S.J.R. 5020, on motion of Senator Stolle, was agreed to.

The recorded vote is as follows:

YEAS--37. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Houck, Lambert, Locke, Lucas, Marsh, Martin, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--37.

NAYS--0.

RULE 36--0.

Senator Stolle was ordered to inform the House of Delegates thereof.

UNFINISHED BUSINESS—HOUSE

H.B. 5008 (five thousand eight) was taken up.

RULING OF THE CHAIR

Senator Norment propounded a parliamentary inquiry as to whether **H.B. 5008** was properly before the Senate.

The Chair ruled that **H.B. 5008** was not properly before the Senate.

The Chair directed the Clerk to return **H.B. 5008** to the House of Delegates.

COMMENDING RESOLUTIONS

On motion of Senator Norment, the questions on agreeing to the House joint resolutions that follow were considered en bloc.

On motion of Senator Norment, the following House joint resolutions were taken up and agreed to en bloc:

H.J.R. 5030 (five thousand thirty).

H.J.R. 5031 (five thousand thirty-one).

On motion of Senator Norment, the questions on agreeing to the Senate joint resolutions that follow were considered en bloc.

On motion of Senator Norment, the following Senate joint resolutions were taken up, ordered to be engrossed, and agreed to en bloc:

S.J.R. 5021 (five thousand twenty-one).

S.J.R. 5022 (five thousand twenty-two).

S.J.R. 5023 (five thousand twenty-three).

At 12:30 p.m., Senator Norment moved that the Senate recess until 1:05 p.m.

The motion was agreed to.

The hour of 1:05 p.m. having arrived, the Chair was resumed.

MESSAGE FROM THE HOUSE

A message was received from the House of Delegates by Delegate McDonnell, who informed the Senate that the House had agreed to **S.J.R. 5020** (five thousand twenty).

COMMITTEE REPORTS

The following bill, having been considered by the committee in session, was reported by Senator Stolle from the Committee for Courts of Justice:

S.B. 5007 (five thousand seven).

The following joint resolutions, having been considered by the committee in session, were reported by Senator Norment from the Committee on Rules:

S.J.R. 5017 (five thousand seventeen) with substitute.

S.J.R. 5018 (five thousand eighteen) with amendment.

JUDICIAL NOMINATION FORM RECEIVED

Pursuant to Senate Rule 18 (c), the following judicial nomination form was filed with the Clerk:

COMMONWEALTH OF VIRGINIA
SENATE

JUDICIAL NOMINATION FORM
GENERAL DISTRICT COURT

TO THE SENATE OF VIRGINIA:

The undersigned Senators representing the Sixteenth Judicial District hereby nominate, pursuant to Senate Rule 18 (c), the following person to be elected to the general district court judgeship listed below:

Edward K. Carpenter, of Goochland, as a judge of the Sixteenth Judicial District for a term of six years commencing June 1, 2004.

Respectfully submitted,

/s/ R. Edward Houck

/s/ Walter A. Stosch

/s/ Emmett W. Hanger, Jr.

/s/ John C. Watkins

/s/ Frank M. Ruff

/s/ R. Creigh Deeds

INTRODUCTION OF LEGISLATION

Senator Stolle, by leave, under Senate Rule 11 (b), presented the following resolution which was ordered to be printed and referred:

S.R. 5001. Nominating person to be elected to general district court judgeship.

Patron--Stolle

Referred to Committee for Courts of Justice

JOINT ORDER FOR ELECTIONS

The hour of 12:35 p.m. having arrived, the President stated that the Senate on its part was ready to proceed, pursuant to Senate Joint Resolution No. 5020, with the execution of the Joint Order to the election of certain general district court judges.

The President stated that nominations were in order for judges of the respective general district courts.

On motion of Senator Stolle, the Rules were suspended and **S.R. 5001** (five thousand one) was taken up for immediate consideration, discharging the Committee for Courts of Justice from further consideration of the resolution, and waiving the readings of the title.

The recorded vote is as follows:

YEAS--35. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Houck, Lambert, Lucas, Martin, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--35.

NAYS--0.

RULE 36--0.

SENATE RESOLUTION NO. 5001

Nominating person to be elected to general district court judgeship.

RESOLVED by the Senate, That the following person is hereby nominated to be elected to the respective general district court judgeship as follows:

Edward K. Carpenter, of Goochland, as a judge of the Sixteenth Judicial District for a term of six years commencing June 1, 2004.

Senator Stolle offered the following amendment:

1. Line 10, introduced, after line 9
insert

Gene A. Woolard, of Virginia Beach, as a judge of the Second Judicial District for a term of six years commencing June 1, 2004.

On motion of Senator Stolle, the reading of the amendment was waived.

On motion of Senator Stolle, the amendment was agreed to.

On motion of Senator Stolle, the resolution was ordered to be engrossed.

SENATE RESOLUTION NO. 5001

Nominating person to be elected to general district court judgeship.

RESOLVED by the Senate, That the following person is hereby nominated to be elected to the respective general district court judgeship as follows:

[Gene A. Woolard, of Virginia Beach, as a judge of the Second Judicial District for a term of six years commencing June 1, 2004.]

Edward K. Carpenter, of Goochland, as a judge of the Sixteenth Judicial District for a term of six years commencing June 1, 2004.

S.R. 5001, on motion of Senator Stolle, was agreed to.

Senator Stolle was ordered to inform the House of Delegates of the nominations made by the Senate.

A message was received from the House of Delegates by Delegate Kilgore, who informed the Senate that the following nominations had been made by the House:

For judges of the respective general district courts:

- Gene A. Woolard, Second Judicial District.
- John A. Rochecharlie, Thirteenth Judicial District.
- Edward K. Carpenter, Sixteenth Judicial District.

The roll was called with the following results:

For judges of the respective general district courts for the terms set forth:

The nominees by Senate Resolution No. 5001 received an affirmative vote of 34.

The recorded vote is as follows:

YEAS--34. NAYS--0. RULE 36--0.

YEAS--Bell, Blevins, Bolling, Chichester, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Houck, Locke, Lucas, Martin, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--34.

NAYS--0.

RULE 36--0.

The President appointed Senators Blevins, Cuccinelli, Obenshain, and Locke, the committee on the part of the Senate to count and report the vote of each house in each case.

Subsequently, the committee reported as follows:

Whole number of votes necessary to elect:

In the House of Delegates.....51

In the Senate.....21

For judge of the General District Court of the Second Judicial District for a term of six years commencing June 1, 2004:

Gene A. Woolard received:

In the House.....93

In the Senate.....34

For judge of the General District Court of the Thirteenth Judicial District for a term of six years commencing June 1, 2004:

John A. Rochecharlie received:

In the House.....75

In the Senate.....No votes cast

For judge of the General District Court of the Sixteenth Judicial District for a term of six years commencing June 1, 2004:

Edward K. Carpenter received:

In the House.....75
In the Senate.....34

The Clerk read the report.

The nominees, having received the vote of a majority of the members elected to each house of the General Assembly, were declared by the President duly elected judges of the respective general district courts as follows:

Gene A. Woolard, judge of the General District Court of the Second Judicial District for a term of six years commencing June 1, 2004.

Edward K. Carpenter, judge of the General District Court of the Sixteenth Judicial District for a term of six years commencing June 1, 2004.

No nominee having received the vote of a majority of the members elected to each house of the General Assembly, it was declared by the President that no election resulted for judge of the General District Court of the Thirteenth Judicial District for a term of six years commencing June 1, 2004.

HOUSE COMMUNICATION

The following communication was received:

In the House of Delegates
May 7, 2004

THE HOUSE OF DELEGATES HAS AGREED TO THE FOLLOWING HOUSE JOINT RESOLUTIONS:

- H.J.R. 5032.** Commending Katherine Mims.
- H.J.R. 5033.** Commending Bruce H. T. Dallas.
- H.J.R. 5034.** Commending Michael Gene Teague.
- H.J.R. 5035.** Commending Alice M. Starr.
- H.J.R. 5036.** Commending Mount Vernon Park.
- H.J.R. 5037.** Commending Shirley Kalafatis.
- H.J.R. 5038.** Commending Dr. Michael A. Moore.
- H.J.R. 5039.** Commending Marvin L. Gillum.
- H.J.R. 5040.** Commending the New Century Venture Center.

H.J.R. 5041. Commending Haney Mottley.

H.J.R. 5042. Commending William K. Iseman.

IN WHICH ACTION IT REQUESTS THE CONCURRENCE OF THE SENATE.

/s/ Bruce F. Jamerson
Clerk, House of Delegates

On motion of Senator Norment, the Rules were suspended and the reading of the communication from the House of Delegates was waived.

The recorded vote is as follows:

YEAS--33. NAYS--0. RULE 36--0.

YEAS--Bell, Bolling, Chichester, Deeds, Devolites, Edwards, Hanger, Houck, Locke, Lucas, Martin, Miller, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--33.

NAYS--0.

RULE 36--0.

The House joint resolutions, communicated as agreed to by the House of Delegates, were laid on the Clerk's Desk under Senate Rule 26 (g) as follows:

H.J.R. 5032, H.J.R. 5033, H.J.R. 5034, H.J.R. 5035, H.J.R. 5036, H.J.R. 5037, H.J.R. 5038, H.J.R. 5039, H.J.R. 5040, H.J.R. 5041, and H.J.R. 5042.

COMMENDING RESOLUTIONS

On motion of Senator Norment, the questions on agreeing to the House joint resolutions that follow were considered en bloc.

On motion of Senator Norment, the following House joint resolutions were taken up and agreed to en bloc:

H.J.R. 5032 (five thousand thirty-two).

H.J.R. 5033 (five thousand thirty-three).

H.J.R. 5034 (five thousand thirty-four).

H.J.R. 5035 (five thousand thirty-five).

H.J.R. 5036 (five thousand thirty-six).

H.J.R. 5037 (five thousand thirty-seven).

H.J.R. 5038 (five thousand thirty-eight).

H.J.R. 5039 (five thousand thirty-nine).

H.J.R. 5040 (five thousand forty).

H.J.R. 5041 (five thousand forty-one).

H.J.R. 5042 (five thousand forty-two).

SUPPLEMENTAL CALENDAR NO. 1

SENATE BILL ON FIRST READING

S.B. 5007 (five thousand seven) was read by title the first time.

Senator Stolle moved that the Rules be suspended and the second reading of the title of **S.B. 5007** as required by Article IV, Section 11, of the Constitution, be dispensed with.

The motion was agreed to.

The recorded vote is as follows:

YEAS--27. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Deeds, Devolites, Edwards, Hanger, Houck, Locke, Lucas, Martin, Miller, Mims, Newman, Norment, O'Brien, Puckett, Puller, Rerras, Reynolds, Ruff, Saslaw, Stolle, Ticer, Wagner, Watkins, Whipple, Williams--27.

NAYS--0.

RULE 36--0.

On motion of Senator Stolle, the bill was ordered to be engrossed and read by title the third time.

Senator Stolle moved that the Rules be suspended and the third reading of the title of **S.B. 5007** as required by Article IV, Section 11, of the Constitution, be dispensed with.

The motion was agreed to.

The recorded vote is as follows:

YEAS--32. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Deeds, Devolites, Edwards, Hanger, Houck, Locke, Lucas, Martin, Miller, Mims, Newman, Norment, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--32.

NAYS--0.

RULE 36--0.

S.B. 5007, on motion of Senator Stolle, was passed with its title.

The recorded vote is as follows:

YEAS--32. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Deeds, Devolites, Edwards, Hanger, Houck, Locke, Lucas, Martin, Miller, Mims, Newman, Norment, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--32.

NAYS--0.

RULE 36--0.

SENATE JOINT RESOLUTIONS ON FIRST READING

Senator Norment moved that the Rules be suspended and the first reading of the titles of the following Senate joint resolutions be waived:

S.J.R. 5017 (five thousand seventeen).

S.J.R. 5018 (five thousand eighteen).

The motion was agreed to.

The recorded vote is as follows:

YEAS--31. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Deeds, Devolites, Edwards, Hanger, Locke, Lucas, Martin, Miller, Mims, Newman, Norment, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--31.

NAYS--0.

RULE 36--0.

S.J.R. 5017 was read by title the second time.

The amendment in the nature of a substitute proposed by the Committee on Rules was offered, having been printed separately, with its title reading as follows:

Commemorating the 1962 opening of the Assateague Bridge.

The reading of the substitute was waived.

On motion of Senator Norment, the substitute was agreed to.

On motion of Senator Norment, the joint resolution was ordered to be engrossed and read by title the third time.

S.J.R. 5018 was read by title the second time.

The following amendment proposed by the Committee on Rules was offered:

1. Line 28, introduced, after line 27

insert

RESOLVED FURTHER, That the Clerk of the Senate prepare a copy of this resolution for presentation to Lisa Melton as an expression of the General Assembly's admiration for her efforts in promoting children's health; and, be it

The reading of the amendment was waived.

On motion of Senator Norment, the amendment was agreed to.

On motion of Senator Norment, the joint resolution was ordered to be engrossed and read by title the third time.

Senator Norment moved that the Rules be suspended and the third reading of the titles of the following Senate joint resolutions be waived:

S.J.R. 5017 (five thousand seventeen).

S.J.R. 5018 (five thousand eighteen).

The motion was agreed to.

The recorded vote is as follows:

YEAS--31. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Deeds, Devolites, Edwards, Hanger, Locke, Lucas, Martin, Miller, Mims, Newman, Norment, O'Brien, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--31.

NAYS--0.

RULE 36--0.

Senator Norment moved that the questions on agreeing to the Senate joint resolutions that follow be considered en bloc.

The motion was agreed to.

On motion of Senator Norment, the following Senate joint resolutions were agreed to en bloc:

S.J.R. 5017 (five thousand seventeen).

S.J.R. 5018 (five thousand eighteen).

HOUSE COMMUNICATIONS

The following communications were received and read:

In the House of Delegates
May 7, 2004

THE HOUSE OF DELEGATES HAS AGREED TO THE REPORT OF THE COMMITTEE OF CONFERENCE ON THE FOLLOWING HOUSE BILL:

H.B. 5001. A BILL for all proposed appropriations of the Budget submitted by the Governor of Virginia in accordance with the provisions of § 2.2-1509, Code of Virginia, to provide a portion of revenues for the two years ending respectively on the thirtieth day of June, 2005, and the thirtieth day of June, 2006, and to amend and reenact §§ 58.1-302, 58.1-320, 58.1-321, 58.1-322, 58.1-391, 58.1-392, 58.1-441, 58.1-603, 58.1-604, 58.1-604.1, 58.1-611.1, 58.1-614, 58.1-615, 58.1-627, 58.1-628, 58.1-639, 58.1-901, 58.1-902, 58.1-1001, 58.1-3524, 58.1-3526, 58.1-3528, 58.1-3531, 58.1-3830, 58.1-3840 and 58.1-3912 of the Code of Virginia, to amend the Code of Virginia by adding in Title 32.1 a chapter numbered 15, consisting of sections numbered 32.1-366 through 32.1-367, to amend the Code of Virginia by adding §§ 58.1-390.1, 58.1-390.2, 58.1-393.1, 58.1-394.2 and 58.1-395, and repealing §§ 58.1-390, 58.1-394, and 58.1-3831 of the Code of Virginia and repealing Chapter 289 of the 1989 Acts of Assembly.

THE HOUSE OF DELEGATES HAS AGREED TO THE FOLLOWING SENATE JOINT RESOLUTIONS:

S.J.R. 5021. Commending the Broad Run High School debate team.

S.J.R. 5022. Commending the Carlisle School girls' basketball team.

S.J.R. 5023. Commending the Arc of Greater Prince William/INSIGHT, Inc.

IN WHICH ACTION IT REQUESTS THE CONCURRENCE OF THE SENATE.

/s/ Bruce F. Jamerson
Clerk, House of Delegates

In the House of Delegates
May 7, 2004

THE HOUSE OF DELEGATES HAS PASSED THE FOLLOWING SENATE BILL:

S.B. 5007. A BILL to amend and reenact § 18.2-268.3 of the Code of Virginia, relating to punishment for refusal to give blood or breath test for DUI.

THE HOUSE OF DELEGATES HAS AGREED TO THE FOLLOWING SENATE JOINT RESOLUTIONS:

S.J.R. 5017. Commemorating the 1962 opening of the Assateague Bridge.

S.J.R. 5018. Designating May 13th, in 2004 and in each succeeding year, as P.L.A.Y. Day in Virginia.

/s/ Bruce F. Jamerson
Clerk, House of Delegates

OTHER BUSINESS

Pursuant to Senate Rule 26 (f), the Clerk reported that Senator Norment had been added as a co-patron of **S.J.R. 5017** (five thousand seventeen).

On motion of Senator Norment, a leave of absence for the day was granted Senator Hawkins.

On motion of Senator Saslaw, a leave of absence for the day was granted Senator Howell.

ADJOURNMENT SINE DIE

A message was received from the House of Delegates by Delegate Griffith, who informed the Senate that the House had agreed to **H.J.R. 5043** (five thousand forty-three), as follows; in which it requested the concurrence of the Senate:

HOUSE JOINT RESOLUTION NO. 5043

Adjournment Sine Die.

WHEREAS, the House of Delegates and the Senate are ready to adjourn sine die; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That a committee of six on the part of the House of Delegates and four on the part of the Senate, be appointed to inform the Governor that the 2004 Special Session of the General Assembly is ready to adjourn sine die and to inquire if he has any communication to make.

H.J.R. 5043, being of a purely procedural nature, was taken up for immediate consideration and agreed to.

Senator Norment was ordered to inform the House of Delegates thereof.

The President appointed Senators Stosch, Watkins, Blevins, and Locke, the committee on the part of the Senate to inform the Governor that the General Assembly was ready to adjourn sine die and to inquire if he had any communication to make.

Subsequently, Senator Stosch, from the committee to inform the Governor that the General Assembly was ready to adjourn sine die and to inquire if he had any communication to make, reported that the committee had performed that duty.

MESSAGE FROM THE HOUSE

A message was received from the House of Delegates by Delegate Griffith, who informed the Senate that the House had adjourned sine die.

Senator Miller moved that the Senate adjourn sine die.

The motion was agreed to.

The President declared the Senate adjourned sine die.

Senator Miller was ordered to inform the House of Delegates thereof.

LEGISLATION SIGNED BY PRESIDING OFFICER SUBSEQUENT TO ADJOURNMENT SINE DIE

The President of the Senate as required by Article IV, Section 11, of the Constitution, on the date recorded below, signed the following bills that had been passed by both houses and duly enrolled:

May 17, 2004

H.B. 5001. An Act to appropriate the public revenues for the two years ending respectively on the thirtieth day of June 2005, and the thirtieth day of June 2006, to provide a portion of such revenues, to amend and re-enact §§ 4.1-230, 4.1-231, 16.1-69.6:1, 17.1-507, and 19.2-163.2 of the Code of Virginia, and to amend the Code of Virginia by adding in Article 13 of Chapter 3 of Title 58.1 a section numbered 58.1-439.12:01.

S.B. 5007. An Act to amend and reenact § 18.2-268.3 of the Code of Virginia, relating to punishment for refusal to give blood or breath test for DUI.



Timothy M. Kaine
President of the Senate



Susan Clarke Schaar
Clerk of the Senate

WEDNESDAY, JUNE 16, 2004

The Senate met at 12 m. in Reconvened Session of the 2004 Special Session I and was called to order by Lieutenant Governor Timothy M. Kaine.

The Reverend Canon Robert G. Hetherington, St. Paul's Episcopal Church, Richmond, Virginia, offered the following prayer:

O mighty God, we ask Your blessing upon the work of this chamber, and we pray that those who make decisions for the life of our Commonwealth that they may have a large view of what will be in the best interest of all Virginians. We lift up those who live at the margins of our society; people who have little voice in the public policy formation process. May we consider their well-being along with all the well-being of all the others who are citizens of our Commonwealth.

Almighty God, may we bring some peace, some justice, some hope, some encouragement to all people in this Commonwealth. And, as we gather here to do important work, may the work we do make Your kingdom a larger reality throughout Virginia. We offer this prayer in Jesus' name. Amen.

The roll was called and the following Senators answered to their names:

Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Martin, Miller, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams.

A quorum was present.

After the roll call, Senators Marsh and Rerras notified the Clerk of their presence.

On motion of Senator Marsh, the reading of the Journal was waived.

The recorded vote is as follows:

YEAS--36. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--36.

NAYS--0.

RULE 36--0.

At 12:25 p.m., Senator Norment moved that the Senate recess until 4:05 p.m.

The motion was agreed to.

The hour of 4:05 p.m. having arrived, the Chair was resumed.

MESSAGE FROM THE HOUSE

A message was received from the House of Delegates by Delegate Callahan, who informed the Senate that the House had agreed to amendments Nos. 1 through 3, 5 through 8, 10 through 11, 14 through 18, 21 through 26, 28 through 29, 31, and 37 through 40 in accordance with the recommendation of the Governor and had rejected amendments Nos. 4, 9, 12 through 13, 19 through 20, 27, 30, 32 through 36, and 41 through 43 to **H.B. 5001** (five thousand one); in which it requested the concurrence of the Senate.

CALENDAR**HOUSE BILL WITH GOVERNOR'S RECOMMENDATIONS**

H.B. 5001 (five thousand one) was taken up together with the following communication from the Governor:

COMMONWEALTH OF VIRGINIA

Office of the Governor

June 6, 2004

TO THE HOUSE OF DELEGATES

HOUSE BILL NO. 5001

I approve the general purpose of this bill, but I am returning it without my approval with the request that the attached 43 amendments be adopted.

The budget and reform plan which we enacted this past session is one of the most comprehensive and far-reaching actions taken by any General Assembly in the past 20 years. At the start, let me express my sincere gratitude to members of the House and the Senate for all that we accomplished this session through bipartisan cooperation.

The enacted tax reform plan contained in HB 5018, which I have signed, makes our tax code fairer and more equitable, particularly for low and middle-income taxpayers. The budget bill before me (HB 5001) makes historic investments to strengthen public and higher education, improve human services for our most vulnerable citizens, and protect the public's safety and well-being. Both pieces of legislation demonstrate the underlying fiscal integrity that has characterized decision-making in Virginia over the years and earned us a reputation as one of the best-managed states in the nation.

I am pleased that Wall Street has recognized and rewarded our accomplishments. On May 27, just twenty days after the General Assembly enacted the biennial budget, Moody's Investors Service removed the Commonwealth from its Watchlist for possible ratings downgrade—reaffirming Virginia's Aaa bond rating. In doing so, Moody's specifically cited our efforts to produce "... a budget and tax reform package that restrains spending growth and provides significant new sources of recurring revenue . . ." I applaud the General Assembly for putting the needs of Virginia above partisan differences. The citizens of the Commonwealth have been well-served by our collective efforts.

The amendments I am proposing to HB 5001 produce a net budgetary savings of \$3.1 million. This \$3.1 million in savings will be used to increase the unappropriated balance in the Act to over \$14.0 million. As you know, the unappropriated balance in the budget constitutes our primary funding source for natural disasters and other unanticipated events that must be addressed on an emergency basis.

Many of the amendments make technical corrections or address what I think are unintended consequences. Some address issues which should not wait until next session. Revenue sources, as well as the assumptions underlying them, are not changed.

Brown v. Board of Education Scholarships. My first funding objective is to attempt to redress a wrong that in some ways can never fully be redressed. Some 50 years ago, a group of Virginians were deprived of a public education by a protracted and ultimately unsuccessful effort to avoid desegregation. Those citizens had a fundamental right then to receive a public education. They retain that right today. The General Assembly recognized that right by enacting a scholarship program to assist the affected individuals, but provided only a very limited amount of funding to implement the program's goals. Therefore, I am recommending that \$1.0 million from the general fund be allocated to the Brown v. Board of Education Scholarship Program to assist in the effort. State funding will match an exceptionally generous private gift of \$1.0 million from Mr. John Kluge, bringing the total funding for the program to over \$2.0 million for the biennium. Through this action, we provide tangible educational assistance to those who were denied a public education 50 years ago.

Retain Transportation Funding for Transportation. Over the years, the instability of the general fund has led to regular efforts to divert a portion of transportation revenue for general fund purposes. Given the historic action taken this past session to shore up the general fund, diverting transportation revenue is neither necessary nor prudent. For that reason, I am proposing a language amendment which has the potential effect of returning to the Transportation Trust Fund about \$70 million which it would normally receive.

The amendment restores the authority for the Governor to return the transportation portion of accelerated sales tax collections to the Transportation Trust Fund, if surplus general fund revenue is available at the end of the fiscal year. This provision has been routinely included since accelerated sales tax collections were first required, but was not included in the enacted budget this year. This will not affect the budget in any way, but it could mean an infusion of about \$25 million per year for transportation—if there is sufficient general fund money at year-end to make this transfer to the Transportation Trust Fund.

The amendment also deletes the requirement that all state revenue from the elimination of the sales tax exemption for public service corporations be deposited to the general fund. My amendment proposes that the Transportation Trust Fund be allowed to keep its dedicated portion of the sales tax from this action, as it normally does with any sales tax collections. This proposed change will also not affect the budget in any way because the transportation portion of these additional sales tax proceeds were not accounted for in the general fund revenues estimates contained in the budget. Adoption of this amendment, however, will provide an estimated \$18.9 million for the Transportation Trust Fund during the 2004-06 biennium.

Reinforce Public Safety Efforts. My second objective is to provide targeted additional funding to strengthen public safety. To that end, I have proposed \$1.6 million to restore a portion of the budget cuts levied against the budgets of our Commonwealth's Attorneys—25 percent in the first year and 50 percent in the second year. This action will better enable Commonwealth's Attorneys to retain experienced staff, and buttress their ability to successfully prosecute violent criminals.

In a related vein, recent incidents in Virginia involving gang activity demonstrate that aggressive action is required to combat this growing problem. Therefore, I am recommending that \$1.1 million be provided to address gang-related crime. A portion of this money will be used to establish a strike force of law enforcement officials and the State Police to disrupt and eliminate gang activity. The remainder will be used to hire three additional prosecutors in the Northern Virginia area to work across jurisdictional lines in investigating and prosecuting gang-related crime.

Another amendment in the public safety area deals with the federal “Staffing for Adequate Firefighters and Emergency Response (SAFER)” grant program. The painful events of recent years clearly demonstrate that our firefighters are the primary first responders in the event of natural disasters or terrorist attacks. We need to take all steps within our ability to strengthen their response capabilities. Accordingly, I am recommending that \$1.2 million be included in the first year of the budget to encourage both federal and local government participation in this program. This funding is contingent upon a congressional appropriation for the program. This state funding will allow Virginia to move promptly following congressional action, rather than waiting until next year.

Strengthen Economic Development. Within economic development, I ask that you adopt an amendment to provide \$1.2 million for tourism promotion. As we approach the 400th anniversary of the Jamestown Settlement and the founding of Virginia, we have a unique opportunity to promote as never before Virginia’s natural beauty, historical sites, and other attractions. It makes good business sense to leverage private funding to promote this segment of our economy. The price is relatively small given the potential benefit, at a time when we all want to spur economic activity in Virginia.

Also, I ask that you agree to authorize moving to the first year of the biennium the one-time, research money that was provided in the second year of the biennium to various institutions of higher education. This funding will jump-start research at the affected institutions and produce tangible economic benefits. I further recommend that we add limited funding to the Center for Innovative Technology (CIT) to preserve regional efforts at aiding small businesses, and pursue targeted opportunities in technology transfer. The new management at the CIT has made substantial progress in becoming a self-supporting agency. This additional first-year funding will provide a bridge until that transition can be completed.

In addition, I am proposing an amendment to expand apprenticeship opportunities in Virginia. The apprenticeship program is an activity within workforce development that truly works. This funding will enhance the quality and the availability of our skilled labor force which should be in greater demand as our economy and the employment picture improves.

Finally, I call your attention to the proposed merger of the Department of Minority Business Enterprise with the Department of Business Assistance. Although I fully support efforts to seek efficiencies in state government, I cannot agree that the proposed merger is the right policy at this time.

Given the Commonwealth’s extremely low ranking in the procurement of goods and services from minority-owned enterprises, I fail to see how we can successfully meet our stated goal of bringing about diversity in procurement if we blur the focus of our ongoing efforts to address minority business concerns by reorganizing them into a much broader mission directed at business assistance in general.

Accordingly, I recommend that we keep the Department of Minority Business Enterprise in the forefront of state government with sufficient status to assess and address apparent disparities in minority business relationships. My amendment restores full funding to the department for the purpose of retaining it as a separate agency of state government.

Continue Efforts to Make Government More Efficient and Effective. Even as we adopted a major tax reform proposal this past session, it was clear to me that we must redouble our efforts to ensure that state government operates as effectively and efficiently as it possibly can.

I have proposed and pursued enterprise-wide reforms in our technology and procurement functions within state government. At the same time, I have supported legislative efforts for more effective goal-setting statewide, quantifiable outcome and performance measures for state agency programs and services, comparative costs studies on the effectiveness and efficiency of commercial activities performed by state government, and improved transparency in the budget document. These concepts are embedded

in the enabling legislation for the Virginia Information Technologies Agency (VITA), the Department of Planning and Budget, the Department of General Services, and in separate statutes establishing the Council on Virginia's Future, the Taxpayer's Budget Bill of Rights, the Government Performance and Results Act, the Competition Council, and the Competitive Government Acts.

All of these efforts are well-intentioned and important. However, they will not realize their full potential unless we actively support them. Likewise, we will never obtain the complete benefits of our efforts to implement enterprise-wide efficiencies unless we are committed to providing employee training, technical assistance, and incentives to embrace the desired changes.

For this reason, I recommend that you approve \$3.2 million over the biennium to conduct the research and in-depth analyses necessary to establish programmatic and managerial benchmarks for core state programs and activities, and to develop a productivity program which encompasses research, training, and incentives to assist state agencies in achieving the desired benchmarks for productivity as well as specified re-engineering and efficiency goals. I am certain that our citizens and our business community will welcome such an effort. Members of both houses and both parties have expressed their support for some or all of these activities. I ask that you support this modest investment to ensure that our efforts to improve governmental efficiency and accountability take root.

General Provisions. Finally, I call your attention to the "General Provisions" section of the budget. General Provisions consist of a number of language sections that set out procedures for the execution of the budget, as well as other requirements dealing with diverse matters such as the initiation of capital projects, the authorization of treasury loans, agency head salaries, and the control of positions.

The General Assembly has adopted substantial changes to this section of the budget. Although the proposed revisions were prepared without input from the Executive Department, I have tried to work within the construct of the new language to recommend only those changes which are necessary for the orderly functioning of state government. While many issues have surfaced during my review of these provisions, I believe we can resolve these issues over time. My real concern boils down to two important issues which are reflected in several amendments to the General Provisions.

The first concern is that the redraft of these provisions will prove to be too inflexible to carry out all the types of transactions that must routinely occur during the normal conduct of business. The proposed revisions to the section governing appropriation transfers between agencies and programs is of particular concern. I am proposing a limited amendment to this section to restore some flexibility in budget execution.

A second concern is that some of the revised provisions over-reach in their impact on Executive Department operations—to the point that they raise constitutional issues regarding separation of powers. When the Executive is required to submit all written communication on potential budget reductions, whether such actions have been approved or not by any ranking Executive Department official, the effect is to inhibit open communication between the Governor and his appointees. For this reason, I am proposing an amendment to §4-1.02 "Withholding of Spending Authority" to bring that section more in line with the intent of Article III, Section 1 of the Constitution of Virginia regarding the separate and distinct roles of the Legislative and Executive Departments.

I am recommending other amendments to the General Provisions section of the budget but they are all related, more or less, to these two concerns: operational flexibility and legal authority. All of the amendments are intended to strengthen the basic framework of the revisions presented in the enrolled budget bill—not replace them.

Budget Savings. As I indicated earlier, the net results of the amendments I have proposed is a budgetary savings of \$3.1 million—savings of \$18.2 million offset by a reallocation of \$15.1 million within the budget.

The budget savings occur in Medicaid, and is partly the result of a recently finalized settlement between the Department of Medical Assistance Services and hospitals in Virginia involving over-payment of claims for Medicaid clients who are also eligible for Medicare. The remaining Medicaid savings is the result of a technical adjustment in an inflation factor used in determining rates paid to skilled nursing facilities. The budget was based on preliminary estimates of inflation, which are routinely updated prior to the start of the fiscal year. The updated estimates in this case are lower than originally assumed, requiring lower expenditures.

Summary. With these broad purposes in mind, I offer the attached package of amendments to you in the spirit of cooperation so that we may work together to improve an otherwise sound budget. I ask that you give these amendments full consideration and that you adopt them at the reconvened special session.

/s/ Mark R. Warner
Governor

Amendment # 1 Item 21

Legislative Department
Joint Legislative Audit And Review Commission Language

Language:
Page 15, line 14, after “process.”, strike remainder of line.
Page 15, strike lines 15 through 23.

Amendment # 2 Item 65

Administration	FY 04-05	FY 05-06	
Compensation Board	\$552,500	\$1,105,000	GF

Language:
Page 44, line 8, strike “\$43,866,915” and “\$43,866,915” and insert “\$44,419,415” and “\$44,971,915”.

Amendment # 3 Item 65

Administration	FY 04-05	FY 05-06	
Compensation Board	\$695,165	\$389,165	GF

Language:
Page 44, line 8, strike “\$43,866,915” and “\$43,866,915” and insert “\$44,562,080” and “\$44,256,080”.

Page 46, after line 3, insert:
“I.1. Out of this appropriation, \$395,165 the first year and \$389,165 the second year from the general fund is designated for the Compensation Board to fund five additional positions in Commonwealth's Attorney's Offices that shall be dedicated to prosecuting gang-related criminal activities. The Board shall ensure that these positions work across jurisdictional lines, serving the Northern Virginia area (counties of Fairfax, Loudoun, Prince William, and Arlington and the cities of Falls Church, Alexandria, Manassas, Manassas Park and Fairfax). The additional five positions established by this provision shall be supplemental to the position levels specified in Item 63, paragraph B.1.

2. Also included within the appropriation for this Item is \$300,000 the first year from the general fund that shall be transferred no later than August 1, 2004, from the Compensation Board to the Department of State Police. These funds shall be used only to support the anti-gang efforts of the State Police Strike Force.”

Amendment # 4 Item 111

Commerce and Trade	FY 04-05	FY 05-06	
Department Of Housing And Community Development	(\$50,000)	(\$100,000)	GF

Language:

Page 84, line 28, strike “\$40,077,706” and insert “\$40,027,706”.

Page 84, line 28, strike “\$40,127,706” and insert “\$40,027,706”.

Page 86, strike line 42 through line 48.

Amendment # 5 Item 116

Commerce and Trade	FY 04-05	FY 05-06	
Department Of Labor And Industry	\$212,830	\$202,830	GF
	4.00	4.00	FTE

Language:

Page 89, line 14, strike “\$666,071” and insert “\$878,901”.

Page 89, line 14, strike “\$666,071” and insert “\$868,901”.

Amendment # 6 Item 125

Commerce and Trade	FY 04-05	FY 05-06	
Department Of Minority Business Enterprise	\$435,013	\$463,163	GF
	7.50	7.50	FTE

Language:

Page 91, strike lines 26 through 33 and insert:

“Industrial Development Services (53400)		\$435,013	\$463,163
Minority Enterprise Coordination and Promotion (53406)		\$435,013	\$463,163
Minority Enterprise Development and Improvement (53407)		\$0	\$0
Fund Sources: General		\$435,013	\$463,163

Authority: Title 2.2, Chapter 14; Title 11, Chapter 7, Article 2, Code of Virginia.

A. Notwithstanding paragraphs F, G, H, I, and J of Item 107, out of the amounts provided for the Department of Business Assistance, \$199,592 in the first year and \$200,408 in the second year from the general fund and \$1,065,924 in the first year and \$1,065,924 in the second year from Commonwealth Transportation funds shall be transferred to the Department of Minority Business Enterprise. In addition, 3.00 general fund positions and 13.50 nongeneral fund positions in each year shall be transferred from the Department of Business Assistance to the Department of Minority Business Enterprise.

B. Notwithstanding paragraph G of Item 107, the Department of Minority Business Enterprise, in conjunction with the Department of General Services, the Virginia Employment Commission and the Virginia Department of Transportation, is authorized to conduct analyses of the availability of minority business enterprises in Virginia and the utilization of such businesses by the Commonwealth of Virginia, localities or private industry in the acquisition of goods and services. To

carry out such analyses, the Department is authorized to receive and accept from the United States government, or any agency thereof, and from any other source, private or public, any and all gifts, grants, allotments, bequests or devises of any nature that would assist the Department in conducting such analyses or otherwise strengthen its services to minority business enterprises. The Department is further authorized to create and hold an institutional fund for its exclusive use and purposes into which it may deposit the proceeds of any gift, grant, bequest, allotment, or devise of any nature received from private sources. Such fund shall be subject to the Uniform Management of Institutional Funds Act (§ 55-268.1 et seq., Code of Virginia). The fund and the income from such fund shall not be subject to the provisions of § 2.2-1802, Code of Virginia. The availability of such fund shall not be taken into consideration in, nor be used to reduce, state appropriations or payments, but such funds shall be used in accordance with the wishes of the donors thereof to offset the costs of conducting analyses of the availability and utilization of minority business enterprises or otherwise strengthen the services rendered by the Department to minority business enterprises in the Commonwealth. The Director, Department of Planning and Budget, is authorized to establish a nongeneral fund appropriation for the purposes of expending revenues that may be received for this program.

Total for Department of Minority Business Enterprise		\$435,013	\$463,163
General Fund Positions	7.50	7.50	
Position Level	7.50	7.50	
Fund Sources: General		\$435,013	\$463,163”.

Amendment # 7 Item 134

Commerce and Trade	FY 04-05	FY 05-06	
Virginia Tourism Authority	\$900,000	\$250,000	GF

Language:

Page 97, line 29, strike “\$10,844,914” and insert “\$11,744,914”.

Page 97, line 29, strike “\$10,845,098” and insert “\$11,095,098”.

Page 98, strike lines 42 through 43 and insert:

“H. Out of the amounts for Tourist Promotion shall be provided \$1,000,000 the first year and \$500,000 the second year”.

Page 99, after line 41, insert:

“N. Out of the amounts for Tourist Promotion shall be provided \$150,000 the first year from the general fund for a partnership leveraging program for outdoor resources tourism.

O. Out of the amounts for Tourist Promotion shall be provided \$250,000 the first year and \$250,000 the second year from the general fund to the Virginia Economic Development Partnership to attract motor sports-related businesses to Virginia.”

Amendment # 8 Item 135

Education Language
 Secretary Of Education

Language:

Page 102, after line 4, insert:

“H. The Governor is authorized to transfer from the second year to the first year \$8,264,925 in funding provided in the second year for research at the College of William and Mary, Virginia Institute of Marine Science, George Mason University, James Madison University, Old Dominion University, University of Virginia, Virginia Commonwealth University, and Virginia Polytechnic

Institute and State University to advance Virginia's effort to enhance its university research programs.”

Amendment # 9 Item 144

Education: Elementary and Secondary
Direct Aid To Public Education Language

Language:
Page 111, strike lines 3-9.

Amendment # 10 Item 163

Education: Other	FY 04-05	FY 05-06	
State Council Of Higher Education For Virginia	\$1,000,000	\$0	GF
	\$1,000,000	\$0	NGF

Language:
Page 145, line 32, strike “\$48,915,465” and insert “\$50,915,465”
Page 148, line 15, strike “\$50,000” and insert “\$1,050,000”
Page 148, line 16, after “general fund” insert “and \$1,000,000 from nongeneral funds”

Amendment # 11 Item 164

Education: Other	FY 04-05	FY 05-06	
State Council Of Higher Education For Virginia	\$49,300	\$0	GF

Language:
Page 148, line 22, strike “\$6,612,728” and insert “\$6,662,028”.
Page 149, line 3, before “Out”, insert “1.”
Page 149, after line 15, insert:
“2. Out of the amounts for Regional Grants and Contracts, \$49,300 the first year from the general fund is designated for tuition grants to support fourth-year students from Accomack and Northampton Counties for attendance at Salisbury State College and the University of Maryland-Eastern Shore, in the State of Maryland.”

Amendment # 12 Item 165

Education: Other	FY 04-05	FY 05-06	
State Council Of Higher Education For Virginia	\$155,000	\$174,000	GF

Language:
Page 149, line 27, strike “\$9,379,417” and “\$9,295,371” and insert “\$9,534,417” and “\$9,469,371”
Page 151, after line 46, insert:
“I. Out of the appropriation in this Item, the following amounts shall be transferred to the agencies listed for the purposes specified:
1. \$40,000 the first year and \$40,000 the second year from the general fund to the University of Virginia for the Center for Politics,
2. \$30,000 the first year and \$49,000 the second year from the general fund to Virginia Commonwealth University for the Education Policy Institute, and

3. \$85,000 the first year and \$85,000 the second year from the general fund to Virginia Polytechnic Institute and State University for tobacco research.”

Amendment # 13 Item 261

Education: Other
The Science Museum Of Virginia Language

Language:
Page 207, strike lines 6 through 10.

Amendment # 14 Item 326

Health & Human Resources	FY 04-05	FY 05-06	
Department Of Medical Assistance Services	(\$11,423,746)	(\$6,800,000)	GF
	(\$2,176,254)	(\$6,800,000)	NGF

Language:
Page 265, line 46, strike “\$4,098,479,181” and insert “\$4,084,879,181”.
Page 265, line 46, strike “\$4,502,188,393” and insert “\$4,488,588,393”.

Amendment # 15 Item 399

Natural Resources
Marine Resources Commission Language

Language:
Page 337, strike lines 21 through 32.

Amendment # 16 Item 436

Public Safety	FY 04-05	FY 05-06	
Department Of Fire Programs	\$1,250,000	\$0	GF

Language:
Page 359, line 25, strike “\$17,123,574” and insert “\$18,373,574”
Page 359, after line 31, insert:
“This appropriation includes \$1,250,000 the first year from the general fund to provide matching funds for localities participating in the federal Staffing for Adequate Firefighters and Emergency Response (SAFER) grant program, contingent upon Congress appropriating the federal share of funding for the program.”

Amendment # 17 Item 462

Technology	FY 04-05	FY 05-06	
Innovative Technology Authority	\$1,912,739	\$0	GF

Language:
Page 370, line 15, strike “\$5,835,414” and insert “\$7,748,153”.

Amendment # 18 Item 463

Technology
Virginia Information Technologies Agency Language

Language:

Page 373, strike lines 11 through 16

Page 373, line 17, strike "G" and insert "F".

Page 373, line 27, strike "G".

Page 373, line 35, strike "H", insert "G".

Page 373, line 47, strike "I", insert "H".

Amendment # 19

Item 466

Technology

Virginia Information Technologies Agency

Language

Language:

Page 375, after line 49, insert:

"D. The Governor is hereby authorized to allocate sums from any unexpended and unobligated balances on June 30, 2004, to provide for equipment and operating costs associated with the start-up of the Virginia Information Technologies Agency (VITA). These funds shall remain unallotted until a detailed plan of expenditure has been submitted to and approved by the Director, Department of Planning and Budget, and communicated to the Chairmen of the House Appropriations and Senate Finance Committees."

Amendment # 20

Item 506

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	\$1,000,000	\$0	GF

Language:

Page 408, line 50, strike "\$23,976,258" and insert "\$24,976,258".

Page 409, line 14, strike "\$2,200,000" and insert "\$3,200,000".

Page 409, after line 27, insert:

"4. To provide for unbudgeted and unavoidable cost increases for public services due to rising petroleum prices."

Amendment # 21

Item 506.10

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	\$1,750,000	\$1,500,000	GF

Language:

Page 412, after line 12, insert:

"506.10 Planning, Budgeting and Evaluation Services (71500)	\$1,750,000	\$1,500,000
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Fund Sources: General	\$1,750,000	\$1,500,000
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Authority: Discretionary Inclusion

Out of this appropriation \$1,750,000 the first year and \$1,500,000 the second year from the general fund is provided to conduct research on the cause and effects of desired outcomes in core service areas for the purpose of constructing an overall roadmap for the Commonwealth, to facilitate and implement reengineering initiatives from an enterprise-wide perspective, and to conduct targeted efficiency reviews of state programs and activities including an examination of the cost effectiveness of certain state-operated commercial activities. The Governor is hereby authorized to transfer from

this item such amounts as are necessary for state agencies to implement the purposes of this appropriation.”

Amendment # 22

Item 507.10

Central Appropriations	FY 04-05	FY 05-06	
Central Appropriations	\$569,953	\$719,951	GF

Language:

Page 412, after line 38, insert:

“507.10 Financial Assistance for Cultural and Artistic

Affairs (14300)	\$569,953	\$719,951
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Fund Sources: General	\$569,953	\$719,951
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Authority: Discretionary Inclusion

A. Out of the appropriation in Item 144 of this act, \$250,000 from the general fund shall be paid each year to the Wolf Trap Institute for Early Learning Through the Arts.

B. Out of the appropriation in Item 261 of this act, \$100,000 from the general fund shall be paid each year to the Science Museum of Western Virginia to develop a collaborative science education program with the Science Museum of Virginia in support of the Standards of Learning for public education.

C. Out of the appropriation in this item, the following amounts shall be transferred to the agencies listed for the purpose specified:

\$100,000 in each year from the general fund to the Department of Housing and Community Development to support the Center for Rural Virginia;

\$125,000 each year from the general fund to Direct Aid to Public Education to fund An Achievable Dream, Inc. for its work with at-risk students in public school divisions;

\$150,000 from the general fund in the second year to the Department of Aging to support the distribution of comprehensive health and aging information to Virginia's senior population, their families and caregivers;

\$259,980 each year from the general fund to the Department of Social Services to fund Healthy Families Virginia for activities which promote positive parenting, improved child health and development, and reduced child abuse and neglect; and

\$84,973 in the first year and \$84,971 in the second year from the general fund to the Virginia Museum of Natural History.

D. The Department of Housing and Community Development shall report to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees by November 15, 2004 on the status of the start-up activities, needs, and accomplishments of the Center for Rural Virginia.”

Amendment # 23

Item C-67

Education: Higher Education

University Of Virginia

Language

Language:

Page 439, line 17, strike “Omitted.” and insert:

“In addition to the authorizations set forth in § 2-17, the University of Virginia may issue short-term debt for any capital project authorized by the General Assembly in order to cover costs of planning, design and construction pending the receipt of philanthropic pledges in an amount not to exceed the authorized amount for the project and for a term not to exceed seven years. The planning, design and construction of such projects shall be in accordance with the Governor's Six-Year Capital Implementation Plan. In the aggregate, the short-term debt shall not exceed \$100 million at any

point in time. The use of this short-term debt shall not accelerate previously determined state-supported debt issuance schedules for these projects.”

Amendment # 24 Item C-80.10

Education: Higher Education	FY 04-05	FY 05-06	
Virginia Commonwealth University	\$22,700,000	\$0	NGF

Language:
Page 441, line 14, strike “\$15,300,000” and insert “\$38,000,000”

Amendment # 25 Item C-125

Education: Higher Education	
Virginia State University	Language

Language:
Page 449, line 15, strike “Higher Education Operating” and insert “Bond Proceeds”.

Amendment # 26 Item 3-5.04

Adjustments And Modifications To Tax Collections	
Payment Of Auto Rental Tax To The General Fund	Language

Language:
Page 479, line 40, insert “A.” before “Notwithstanding”.
Page 479, after line 43, insert:
“B. Notwithstanding the provisions of the amendment to § 58.1-2425, Code of Virginia, enacted by Chapter 522 of the 2004 Acts of Assembly, all additional revenues resulting from the fee imposed under subdivision A 5 of § 58.1-2402, Code of Virginia, as enacted by Chapter 522 of the 2004 Acts of Assembly, shall be deposited into the general fund.”

Amendment # 27 Item 3-5.05

Adjustments And Modifications To Tax Collections	
Implementation of House Bill 5018	Language

Language:
Page 480, line 13, after “unallotted” strike the remainder of line 13 and insert “.”
Page 480, strike line 14 through 17 and insert:
“The Governor is authorized to re-allot funds in Item C-194, up to the total originally appropriated, from any revenues on June 30, 2004 in excess of the amounts on which Chapter 943 of the Acts of Assembly of 2004 were based, or from any unobligated and unexpended balances as of June 30, 2004.”

Amendment # 28 Item 3-5.05

Adjustments And Modifications To Tax Collections	
Implementation of House Bill 5018	Language

Language:
Page 480, strike lines 2 through 5.
Page 480, line 6, strike “B” and insert “A”.
Page 480, line 12, strike “C” and insert “B”.

Page 480, after line 17, insert paragraph “C. The date of July 1, 2004, in Enactment No. 8 of Chapter 1042 of the 2003 Acts of Assembly is hereby changed to July 1, 2006, to continue the Governor's authority as stated in Enactment No. 5 of Chapter 1042, as follows: That the State Comptroller shall make no distribution of the collections in accordance with § 58.1-638 until the Governor determines each year that funds are available to transfer such collections. If the Governor determines that funds are available to transfer such collections in accordance with § 58.1-638 he shall direct the State Comptroller to make such distribution. The Governor will report such determination to the Chairmen of the Senate Finance, House Finance and House Appropriations Committees in August of each year.”

Amendment # 29 Item 3-5.06

Adjustments And Modifications To Tax Collections
 Repeal Reduction in Withholding of Individual Income Taxes Language

Language:

Page 480, after line 17, insert:

“§ 3-5.06 REPEAL REDUCTION IN WITHHOLDING OF INDIVIDUAL INCOME TAXES

Chapter 289 of the Acts of Assembly of 1989, as amended and reenacted by Chapter 888 of the Acts of Assembly of 1990 and Chapters 385 and 401 of the Acts of Assembly of 1992, Chapters 139 and 147 of the Acts of Assembly of 1994, Chapters 375 and 458 of the Acts of Assembly of 1996, Chapter 464 of the Acts of Assembly of 1998, and Chapters 501 and 553 of the Acts of Assembly of 2000, is hereby repealed effective January 1, 2003.”

Amendment # 30 Item 4-0.01

Operating Policies
 Operating Policies Language

Language:

Page 481, line 9, after “observed” insert:

“and shall ensure that appropriations are spent in an effective manner to address the specific program purposes approved by the General Assembly. The Governor shall further ensure that appropriations are expended in an efficient manner such that cost savings can be realized whenever practical.”

Amendment # 31 Item 4-1.01

Appropriations
 Prerequisites for Payment Language

Language:

Page 481, after line 21, insert:

“c. Exclusive of revenues paid into the general fund of the state treasury, all revenues earned or collected by an agency, and contained in an appropriation item to the agency shall be expended first during the fiscal year, prior to the expenditure of any general fund appropriation within that appropriation item, unless prohibited by statute or by the terms and conditions of any gift, grant or donation.”

Amendment # 32 Item 4-1.02

Appropriations
 Withholding Of Spending Authority Language

Language:

Page 481, strike lines 23-49.

Page 482, strike lines 1-56.

Page 483, strike lines 1-39 and insert:

“a. Changed Expenditure Factors:

1. The Governor is authorized to reduce spending authority, by withholding allotments of appropriations, when expenditure factors, such as enrollments or population in institutions, are smaller than the estimates upon which the appropriation was based. Moneys generated from the withholding action shall not be reallocated for any other purpose except as may be specifically provided elsewhere in this act. Provided, however, the withholding of allotments of appropriations under this provision shall not occur until at least 15 days after the Governor has transmitted a statement of changed factors and intent to withhold moneys to the Chairmen of the House Appropriations and Senate Finance Committees.

2. Moneys shall not be withheld on the basis of reorganization plans or program evaluations until such plans or evaluations have been specifically presented in writing to the General Assembly at its next regularly scheduled session.

b. Increased Nongeneral Fund Revenue:

1. General fund appropriations to any state agency for operating expenses are supplemental to nongeneral fund revenues collected by the agency. To the extent that nongeneral fund revenues collected in a fiscal year exceed the estimate on which the operating budget was based, the Governor is authorized to withhold general fund spending authority, by withholding allotments of appropriations, in an equivalent amount. However, this limitation shall not apply to: (a) restricted excess tuition and fees for educational and general programs in the institutions of higher education, as defined in § 4-2.01 c of this act; (b) appropriations to institutions of higher education designated for fellowships, scholarships and loans; (c) gifts or grants which are made to any state agency for the direct costs of a stipulated project; (d) appropriations to institutions for the mentally ill or mentally retarded payable from the Mental Health and Mental Retardation Revenue Fund; and (e) general fund appropriations for highway construction and mass transit. Moneys unallotted under this provision shall not be reallocated for any other purpose.

2. To the degree that new or additional grant funds become available to supplement general fund appropriations for a program, following enactment of an appropriation act, the Governor is authorized to withhold general fund spending authority, by withholding allotments of appropriations, in an amount equivalent to that provided from grant funds, unless such action is prohibited by the original provider of the grant funds. The withholding action shall not include general fund appropriations which are required to match grant funds. Moneys unallotted under this provision shall not be reallocated for any other purpose.

c. Reduced General Fund Resources:

1. The term “general fund resources” as applied in this subsection, includes revenues collected and paid into the general fund of the state treasury during the current biennium, transfers to the general fund of the state treasury during the current biennium, and all unexpended balances brought forward from the previous biennium.

2. In the event that general fund resources are estimated by the Governor to be insufficient to pay in full all general fund appropriations authorized by the General Assembly, the Governor shall, subject to the qualifications herein contained, withhold general fund spending authority to prevent any expenditure in excess of the estimated general fund resources available.

3. In making this determination, the Governor shall take into account actual general fund revenue collections for the current fiscal year and the results of a formal written re-estimate of general fund revenues for the current and next biennium, prepared within the previous 90 days, in accordance with the process specified in § 2.2-1503, Code of Virginia. Said re-estimate of general fund revenues shall be communicated to the Chairmen of the Senate Finance, House Appropriations and House Finance Committees, prior to taking action to reduce general fund allotments of appropriations.

4. Within five business days after the preliminary close of the state accounts at the end of the fiscal year, the State Comptroller shall provide the Governor with the actual total of (a) individual income taxes, (b) corporate income taxes, and (c) sales taxes for the just completed fiscal year, with a comparison of such actual totals with the total of such taxes in the official budget estimate for that fiscal year. If that comparison indicates that the total of (a) individual income taxes, (b) corporate income taxes, and (c) sales taxes, as shown on the preliminary close, was one percent or more below the amount of such taxes in the official budget estimate for the just completed fiscal year, the Governor shall prepare a written re-estimate of general fund revenues for the current biennium and the next biennium in accordance with § 2.2-1503, Code of Virginia, to be reported to the Chairmen of the Senate Finance, House Finance and House Appropriations Committees, not later than September 1 following the close of the fiscal year.

5. The Governor shall take no action to withhold allotments until a written plan detailing specific reduction actions approved by the Governor, identified by program and appropriation item, has been presented to the Chairmen of the House Appropriations and Senate Finance Committees. Any subsequent modifications to the reduction plan approved by the Governor shall also be submitted to the Chairmen of the House Appropriations and Senate Finance Committees, prior to withholding allotments of appropriations.

6. In effecting the reduction of expenditures, the Governor shall not withhold allotments of appropriations for:

a) More than 15 percent cumulatively of the annual general fund and nongeneral fund appropriation contained in this act for operating expenses of any one state or nonstate agency or institution designated in this act by title, and the exact amount withheld, by state or nonstate agency or institution, shall be reported within five calendar days to the Chairmen of the Senate Finance and House Appropriations Committees. State agencies providing funds directly to grantees named in this act shall not apportion a larger cut to the grantee than the proportional cut apportioned to the agency. Without regard to § 4-5.07 b.4. of this act, the remaining appropriation to the grantee which is not subject to the cut, equal to at least 85 percent of the annual appropriation, shall be made by July 31, or in two equal installments, one payable by July 31 and the other payable by December 31, if the remaining appropriation is less than or equal to \$500,000, except in cases where the normal conditions of the grant dictate a different payment schedule.

b) The payment of principal and interest on the bonded debt or other bonded obligations of the Commonwealth, its agencies and its authorities, or for payment of a legally authorized deficit.

c) The payments for care of graves of Confederate dead.

d) The employer contributions, and employer paid member contributions to the: Social Security System, Virginia Retirement System, Judicial Retirement System, State Police Officers Retirement System, Virginia Law Officers Retirement System, Optional Retirement Plan for College and University Faculty, Optional Retirement Plan for Political Appointees, Optional Retirement Plan for Superintendents, the Volunteer Service Award Program, and the Virginia Retirement System's group life insurance, sickness and disability, and retiree health care credit programs for state employees, state-supported local employees and teachers. If the Virginia Retirement System Board of Trustees approves a contribution rate for a fiscal year that is lower than the rate on which the appropriation was based, or if the United States government approves a Social Security rate that is lower than that in effect for the current budget, the Governor may withhold excess contributions. However, employer and employee paid rates or contributions for health insurance and matching deferred compensation for state employees, state-supported local employees and teachers may not be increased or decreased beyond the amounts approved by the General Assembly. Payments for the employee benefit programs listed in this paragraph may not be delayed beyond the customary billing cycles that have been established by law or policy by the governing board.

e) The payments in fulfillment of any contract awarded for the design, construction and furnishing of any state building.

f) The salary of any state officer for whom the Constitution of Virginia prohibits a change in salary.

g) The salary of any officer or employee in the Executive Department by more than two percent (irrespective of the fund source for payment of salaries and wages). Provided, however, the percentage of reduction shall be uniformly applied to all employees within the Executive Department.

h) The appropriation supported by the State Bar Fund, as authorized by § 54.1-3913, Code of Virginia, unless the supporting revenues for such appropriation are estimated to be insufficient to pay the appropriation.

7. The Governor is authorized to withhold specific allotments of appropriations by a uniform percentage, a graduated reduction or on an individual basis, or apply a combination of these actions, in effecting the authorized reduction of expenditures, up to the maximum of 15 percent, as prescribed in subdivision 6a) of this subsection.

8. Each nongeneral fund appropriation shall be payable in full only to the extent the nongeneral fund revenues from which the appropriation is payable are estimated to be sufficient. The Governor is authorized to reduce allotments of nongeneral fund appropriations by the amount necessary to ensure that expenditures do not exceed the supporting revenues for such appropriations. Provided, however, the Governor shall take no action to reduce allotments of appropriations for the Highway Maintenance and Operating Fund and Transportation Trust Fund on account of reduced revenues until such time as a formal written re-estimate of revenues for the current and next biennium, prepared in accordance with the process specified in § 2.2-1503, Code of Virginia, has been reported to the Chairmen of the Senate Finance, House Finance, and House Appropriations Committees.

9. Notwithstanding any contrary provisions of law, the Governor is authorized to transfer to the general fund on June 30 of each year of the biennium or within twenty days from that date, any available unexpended balances in other funds in the state treasury, subject to the following:

a) The Governor shall declare in writing to the Chairmen of the Senate Finance and House Appropriations Committees that a fiscal necessity exists which warrants the transfer of nongeneral funds to the general fund and reports the exact amount of such transfer within five calendar days of the transfer;

b) No such transfer may be made from retirement or other trust accounts, the State Bar Fund as authorized by § 54.1-3913, Code of Virginia, debt service funds, or federal funds; and

c) The Governor shall include for informative purposes, in the first biennial budget document he submits subsequent to the transfer, the amount transferred from each account or fund and recommendations for restoring such amounts.

10. The Director, Department of Planning and Budget, shall report spending authority withheld under the provisions of this subsection to the Chairmen of the Senate Finance and House Appropriations Committees within five calendar days of the action to withhold. Said report shall include the amount withheld by agency and appropriation item.

11. If action to withhold allotments of appropriation under this provision is inadequate to eliminate the imbalance between projected general fund resources and appropriations, the Speaker of the House of Delegates and the President Pro Tempore of the Senate shall be advised in writing by the Governor.”

Amendment # 33

Item 4-1.03

Appropriations

Appropriation Transfers

Language

Language:

Page 484, line 1, strike “0100 and 0300 in higher education institutions; or” and insert “;”.

Page 484, line 2, strike “.” and insert “;”.

Page 484, after line 2 insert:

“6) to provide for unbudgeted increases in costs which he determines a state agency or other agency must receive to render essential services; or

7) to ensure that appropriations are spent in an efficient and effective manner.”

Page 484, line 6, strike “the express consent of ” and insert “prior written notification to”.

Page 484, after line 42 insert:

“9. The Director, Department of Planning and Budget may transfer capital appropriation authority between projects and from one state agency to another to provide for unbudgeted increases in costs.”

Amendment # 34

Item 4-1.04

Appropriations

Appropriation Increases

Language

Language:

Page 484, strike lines 44 through 47.

Page 484, line 48, strike “b” and insert “a”.

Page 485, strike lines 38 through 41.

Page 486, line 2, strike “c” and insert “b”.

Amendment # 35

Item 4-1.05

Appropriations

Reversion of Appropriations and Reappropriations

Language

Language:

Page 486, line 14, after “nonrecurring costs” insert “to the extent practicable”.

Page 486, line 26, strike “no later than” and insert “by”.

Page 486, line 26, after “succeeding fiscal year” insert “or as soon thereafter as practicable”.

Page 486, after line 28, insert:

“3. Reappropriations payable from the general fund shall be made only upon certification by the Governor that funds are available for such payment.”

Page 486, line 29, strike “3.” and insert “4.”

Page 486, line 41, after “nonrecurring cost” insert “to the extent practicable”.

Amendment # 36

Item 4-1.06

Appropriations

Limited Adjustments of Appropriations

Language

Language:

Page 487, line 28, strike “with the written concurrence of the Auditor of Public Accounts” and insert “with written notification to the Auditor of Public Accounts”.

Amendment # 37

Item 4-2.02

Revenues

General Fund Revenue

Language

Language:

Page 490, strike lines 30 through 32.

Page 490, line 33, strike “e)” and insert “d)”.

Page 490, line 34, strike “f)” and insert “e)”.

Page 490, line 37, strike “g)” and insert “f)”.

Page 490, line 39, strike “h)” and insert “g)”.

Page 490, line 40, strike “i)” and insert “h)”.

Page 491, line 2, strike “j)” and insert “i)”.

Page 491, line 3, strike “k)” and insert “j)”.

Page 491, line 6, strike “l)” and insert “k)”.

Page 491, line 8, strike “m)” and insert “l)”.

Amendment # 38 Item 4-3.02

Deficit Authorization and Treasury Loans
 Treasury Loans Language

Language:

Page 493, line 31, after “collection of ” insert “nongeneral fund revenues or”.

Page 493, line 34, after “such loans” insert “in anticipation of bond proceeds”.

Amendment # 39 Item 4-6.01

Positions and Employment
 Employee Compensation Language

Language:

Page 509, line 23, after “6.” insert “a)”

Page 509, after line 24, insert:

“b. Existing salary contracts between the Chief Information Officer and the Information Technology Investment Board in effect before the enactment of this act shall remain in effect as originally written until the termination of said contracts. Salary contracts entered into after enactment of this act shall adhere to the conditions specified in § 4-6.01.”

Amendment # 40 Item 4-6.01

Positions and Employment
 Employee Compensation Language

Language:

Page 509, after line 58, insert

“Executive Director, Department of Game and Inland Fisheries \$108,607 \$111,865 \$111,865”.

Page 510, strike lines 51 and 52.

Amendment # 41 Item 4-6.01

Positions and Employment
 Employee Compensation Language

Language:

Page 513, after line 26 insert:

“c) The State Council of Higher Education may annually supplement the salary of the Director from any available appropriations or any other nonstate funds available to the Council. In approving a supplement, the State Council of Higher Education should be guided by criteria which provide a reasonable limit on the total additional compensation of the Director. The criteria should include consideration of additional income from outside sources including, but not being limited to, service on boards of directors or other such services. The State Council shall report approved supplements to the Department of Human Resource Management for its records.”

Amendment # 42 Item 4-7.01

Statewide Plans
 Manpower Control Program Language

Language:

Page 517, line 29, strike "Approvals for executive department agencies"

Page 517, strike line 30, and insert:

"The Director, Department of Planning and Budget, may increase the Position Level number of Executive Department agencies to effect the following:

- "a) to address threats to life, safety, health, or property or compliance with judicial orders;
- b) to ensure that appropriations are spent in an efficient and effective manner;
- c) to provide for unbudgeted increases in costs which he determines a state agency or other agency must receive to render essential services; or
- d) utilize additional nongeneral fund revenue approved under §4-1.04."

Page 517, line 37, strike "2.a." and insert "2.a)".

Amendment # 43

Item 4-8.02

Reporting Requirements

State Agencies

Language

Language:

Page 519, line 43, after "calendar days" insert "after the Governor approves agency budget reduction plans or five calendar days".

Page 519, line 43, after "briefs," insert "or".

Page 519, line 44, strike ", or budget reduction proposals".

The reading of the communication was waived.

H.B. 5001, on motion of Senator Chichester, was amended in accordance with recommendations Nos. 1, 8, 10, 11, 14, 16, 18, 21, 23, 24, 25, 26, 28, 37, 38, and 39 of the Governor.

The recorded vote is as follows:

YEAS--36. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Marsh, Martin, Miller, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--36.

NAYS--0.

RULE 36--0.

H.B. 5001, on motion of Senator Chichester, was amended in accordance with recommendations Nos. 5, 6, 7, 15, 17, 22, 29, and 40 of the Governor.

The recorded vote is as follows:

YEAS--35. NAYS--1. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Colgan, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Marsh, Martin, Miller, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--35.

NAYS--Cuccinelli--1.

RULE 36--0.

H.B. 5001, on motion of Senator Chichester, was amended in accordance with recommendation No. 2 of the Governor.

The recorded vote is as follows:

YEAS--36. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Marsh, Martin, Miller, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--36.

NAYS--0.

RULE 36--0.

H.B. 5001, on motion of Senator Chichester, was amended in accordance with recommendation No. 3 of the Governor.

The recorded vote is as follows:

YEAS--36. NAYS--0. RULE 36--0.

YEAS--Blevins, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Edwards, Hanger, Hawkins, Houck, Howell, Lambert, Locke, Marsh, Martin, Miller, Newman, Norment, Obenshain, O'Brien, Potts, Puckett, Puller, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--36.

NAYS--0.

RULE 36--0.

H.B. 5001, on motion of Senator Chichester, was amended in accordance with recommendation No. 31 of the Governor.

The recorded vote is as follows:

YEAS--26. NAYS--9. RULE 36--0.

YEAS--Blevins, Chichester, Colgan, Deeds, Devolites, Edwards, Hawkins, Houck, Howell, Lambert, Locke, Marsh, Miller, Newman, Obenshain, O'Brien, Potts, Puckett, Puller, Rerras, Reynolds, Saslaw, Stolle, Ticer, Wampler, Whipple--26.

NAYS--Bolling, Cuccinelli, Hanger, Martin, Norment, Ruff, Stosch, Wagner, Watkins--9.

RULE 36--0.

Senator Chichester was ordered to inform the House of Delegates thereof.

LEGISLATION SIGNED BY PRESIDING OFFICER

The President of the Senate, pursuant to § 30-14.2 of the Code of Virginia, on the date recorded below, signed the following bill that had been amended in accordance with the recommendations of the Governor and reenrolled:

June 16, 2004

H.B. 5001. (Reenrolled.) An Act to appropriate the public revenues for the two years ending respectively on the thirtieth day of June 2005, and the thirtieth day of June 2006, to provide a portion of such revenues, to amend and re-enact §§ 4.1-230, 4.1-231, 16.1-69.6:1, 17.1-507, and 19.2-163.2 of the Code of Virginia, and to amend the Code of Virginia by adding in Article 13 of Chapter 3 of Title 58.1 a section numbered 58.1-439.12:01.

On motion of Senator Devolites, a leave of absence for the day was granted Senator Bell.

On motion of Senator Whipple, a leave of absence for the day was granted Senator Lucas.

On motion of Senator Potts, a leave of absence for the day was granted Senator Quayle on account of personal business.

HONORARY ADJOURNMENT

Senator O'Brien addressed the Senate in memory of former President Ronald Wilson Reagan.

Senator O'Brien requested that when the Senate adjourns today, it adjourn in memory of former President Ronald Wilson Reagan.

ADJOURNMENT SINE DIE

A message was received from the House of Delegates by Delegate Griffith, who informed the Senate that the House had agreed to **H.J.R. 5044** (five thousand forty-four), as follows; in which it requested the concurrence of the Senate:

HOUSE JOINT RESOLUTION NO. 5044

Adjournment Sine Die.

WHEREAS, the House of Delegates and the Senate are ready to adjourn sine die; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That a committee of six on the part of the House of Delegates and four on the part of the Senate, be appointed to inform the Governor that the Reconvened Session of the Special Session of the 2004 General Assembly is ready to adjourn sine die and to inquire if he has any communication to make.

H.J.R. 5044, being of a purely procedural nature, was taken up for immediate consideration and agreed to.

Senator Norment was ordered to inform the House of Delegates thereof.

The President appointed Senators Watkins, Wagner, Ticer, and Edwards, the committee on the part of the Senate to inform the Governor that the General Assembly was ready to adjourn sine die and to inquire if he had any communication to make.

Subsequently, Senator Watkins, from the committee to inform the Governor that the General Assembly was ready to adjourn sine die and to inquire if he had any communication to make, reported that the committee had performed that duty.

MESSAGE FROM THE HOUSE

A message was received from the House of Delegates by Delegate Griffith, who informed the Senate that the House had adjourned sine die.

On motion of Senator Chichester, the Senate, in memory of former President Ronald Wilson Reagan, adjourned sine die.

Senator Norment was ordered to inform the House of Delegates thereof.

A handwritten signature in black ink, appearing to read "Timothy M. Kaine". The signature is written in a cursive style with a large initial "T" and "M".

Timothy M. Kaine
President of the Senate

A handwritten signature in black ink, appearing to read "Susan Clarke Schaar". The signature is written in a cursive style with a large initial "S".

Susan Clarke Schaar
Clerk of the Senate

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Patrons: O'Brien, et al.	
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 Agreed to by House 187
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H.J.R. 5005. Altavista High School boys' basketball team; commending.
 Patrons: Byron, et al.
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 Patrons: Frederick, et al.
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 Patrons: Hamilton, et al.
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 Patron: Janis
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 Patron: Nutter
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 Agreed to by House 417
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- Wakefield High School Theater Festival team; commending. (Patron-Ebbin, HJR 5028)
- Washington-Henry Elementary School; commemorating its 225th anniversary. (Patron-Hargrove, HJR 5024)
- Wease, Robert H.; commending. (Patron-Edwards, SJR 5012)
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- Pollutant loading allocations; Secretary of Natural Resources to study nitrogen and phosphorous levels in James River Basin and to provide draft tributary plans for Chesapeake Bay watershed. (Patron-Watkins, SJR 5009)

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- Retail Sales and Use Tax; eliminates most public service corporation exemptions, reduces tax on certain foods. Amending §§ 58.1-609.3 and 58.1-611.1. (Patron-Quayle, SB 5003)
- Retail Sales and Use Tax; eliminates numerous commercial and industrial and media exemptions. Amending § 58.1-609.3; repealing § 58.1-609.6. (Patron-Hamilton, HB 5002)

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**JOURNAL
OF
THE
SENATE**

2004 SPECIAL SESSION II

TUESDAY, JULY 13, 2004

The Senate met at 12 m. and was called to order by Lieutenant Governor Timothy M. Kaine.

The Reverend C. Douglas Smith, Virginia Interfaith Center for Public Policy, Richmond, Virginia, offered the following prayer:

Merciful God, we gather again to strengthen our Commonwealth. Though some of us may be torn between the traditions of our forbear's faiths and the pull of modernity, we know that the law these Senators have arrived to correct is of vital concern to our great state.

Lord of the laborer; as we work, keep in our minds those who work for us and with us. We pray for Susan, our Clerk, and all of her staff; we pray for our Capitol Police, who keep us free from harm, protect them as they protect others; and for those who provide services for us at minimum wages, those for whom jobs are scarce, those who work every possible hour in one or two jobs to pay for a roof over their children's heads, we ask Your mercies.

Humble us all as we work through the minute details of the task before us, grace us with the presence of Your faith, and give us daily our dose of Sabbath. Amen.

The roll was called and the following Senators answered to their names:

Bell, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Hanger, Hawkins, Houck, Howell, Lambert, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams.

A quorum was present.

After the roll call, Senator Lucas notified the Clerk of her presence.

COMMUNICATION

The following communication was received and read:

COMMONWEALTH OF VIRGINIA
Office of the Governor

PROCLAMATION

In accordance with the provisions of Article IV, Section 6 and Article V, Section 5 of the Constitution of Virginia and the powers it vests in the Governor to call a Special Session of the General Assembly:

I, Mark R. Warner, Governor of Virginia, do hereby summon the members of the Senate and House of Delegates, constituting the General Assembly of Virginia, to meet in special session in their respective chambers in the Capitol at Richmond, at 12:00 noon on Tuesday, the thirteenth day of July, 2004, for the sole purpose of considering legislation to reinstate the exemptions to the day of rest laws, §40.1-28.1 through §40.1-28.3, such exemptions having been inadvertently removed from law during the 2004 Regular Session of the General Assembly by Chapter 608 of the Acts of Assembly.

Given under my hand and under the lesser seal of the Commonwealth, at Richmond, this 8th day of July, two-thousand four and the two hundred and twenty-ninth year of the Commonwealth.

/s/ Mark R. Warner
Governor

/s/ Anita Rimler
Secretary of the Commonwealth

RULES OF THE SENATE

The President announced that the Senate was operating under the Rules of the Senate as adopted at the 2004 Session, which state, "The Rules of the Senate shall be adopted at the commencement of the first regular session of the General Assembly after the election of the Senate, and shall be in force for the succeeding four years unless amended or suspended as provided by these Rules."

A message was received from the House of Delegates by Delegate Griffith, who informed the Senate that the House was duly organized and ready to proceed to business.

INTRODUCTION OF LEGISLATION

The following were prefiled on the dates indicated, ordered to be printed, and referred pursuant to § 30-19.3 of the Code of Virginia:

S.B. 6001. A BILL to amend the Code of Virginia by adding a section numbered 40.1-28.4:1, relating to employee's day of rest; persons engaged in certain businesses; emergency.

(Prefiled July 9, 2004)

Patron--Quayle

Referred to Committee on Commerce and Labor

S.B. 6002. An Act to amend the Code of Virginia by adding a section numbered 40.1-28.4:1, relating to employee's day of rest; persons engaged in certain businesses; emergency.

(Prefiled July 12, 2004)

Patron--Quayle

Referred to Committee on Commerce and Labor

The following, by leave, were presented, ordered to be printed, and referred under Senate Rule 11 (b):

S.J.R. 6001. Limiting legislation to be considered by the 2004 Special Session II of the General Assembly.

Patron--Norment

Referred to Committee on Rules

S.R. 6001. Agreeing not to accept per diem and mileage reimbursement for the 2004 Special Session II of the General Assembly.

Patron--Norment

Referred to Committee on Rules

IMMEDIATE CONSIDERATION

Senator Norment moved that the Rules be suspended and **S.R. 6001** (six thousand one) be taken up for immediate consideration, discharging the Committee on Rules from further consideration of the resolution, and waiving the readings of the title.

The motion was agreed to.

The recorded vote is as follows:

YEAS--35. NAYS--0. RULE 36--0.

YEAS--Bell, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Hanger, Hawkins, Houck, Howell, Lambert, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--35.

NAYS--0.

RULE 36--0.

SENATE RESOLUTION NO. 6001

Agreeing not to accept per diem and mileage reimbursement for the 2004 Special Session II of the General Assembly.

RESOLVED by the Senate, That the members of the Senate agree not to accept per diem and mileage reimbursement for their attendance at the 2004 Special Session II of the General Assembly.

S.R. 6001, on motion of Senator Norment, was ordered to be engrossed and was agreed to.

The recorded vote is as follows:

YEAS--32. NAYS--3. RULE 36--0.

YEAS--Bolling, Chichester, Colgan, Deeds, Hanger, Hawkins, Houck, Howell, Lambert, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--32.

NAYS--Bell, Cuccinelli, Devolites--3.

RULE 36--0.

Senator Norment was ordered to inform the House of Delegates that the Senate was duly organized and ready to proceed with business.

IMMEDIATE CONSIDERATION

Senator Norment moved that the Rules be suspended and **S.J.R. 6001** (six thousand one) be taken up for immediate consideration, discharging the Committee on Rules from further consideration of the joint resolution, and waiving the first reading of the title.

The motion was agreed to.

The recorded vote is as follows:

YEAS--35. NAYS--0. RULE 36--0.

YEAS--Bell, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Hanger, Hawkins, Houck, Howell, Lambert, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--35.

NAYS--0.

RULE 36--0.

S.J.R. 6001 was read by title the second time.

On motion of Senator Norment, the joint resolution was ordered to be engrossed and read by title the third time.

Senator Norment moved that the Rules be suspended and the third reading of the title of **S.J.R. 6001** be waived.

The recorded vote is as follows:

YEAS--35. NAYS--0. RULE 36--0.

YEAS--Bell, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Hanger, Hawkins, Houck, Howell, Lambert, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--35.

NAYS--0.

RULE 36--0.

SENATE JOINT RESOLUTION NO. 6001

Limiting legislation to be considered by the 2004 Special Session II of the General Assembly.

RESOLVED by the Senate, the House of Delegates concurring, That during the 2004 Special Session II, summoned by proclamation of the Governor on July 8, 2004, to begin at noon, Tuesday, July 13, 2004, no bill or joint resolution may be introduced except (i) any bill to reinstate exemptions to the day of rest laws, §§ 40.1-28.1 through 40.1-28.4 of the Code of Virginia, inadvertently removed from law by Chapter 608 of the 2004 Regular Session Acts of Assembly or (ii) any joint resolution affecting the rules of procedure or schedule of business of the General Assembly, either of its houses, or any of its committees; and, be it

RESOLVED FURTHER, That the Special Session II shall not consider the confirmation of any person appointed to office by the Governor, whose appointment is subject to confirmation by the General Assembly. The failure to consider any appointment shall not be deemed a refusal to confirm such appointment.

S.J.R. 6001, on motion of Senator Norment, was agreed to.

The recorded vote is as follows:

YEAS--35. NAYS--0. RULE 36--0.

YEAS--Bell, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Hanger, Hawkins, Houck, Howell, Lambert, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--35.

NAYS--0.

RULE 36--0.

Senator Norment was ordered to inform the House of Delegates thereof.

MESSAGE FROM THE HOUSE IMMEDIATE CONSIDERATION

A message was received from the House of Delegates by Delegate Griffith, who informed the Senate that the House had agreed to **H.J.R. 6001** (six thousand one), as follows; in which it requested the concurrence of the Senate:

HOUSE JOINT RESOLUTION NO. 6001

Notifying the Governor of Organization.

RESOLVED by the House of Delegates, the Senate concurring, That a committee be appointed, composed of six on the part of the House of Delegates and four on the part of the Senate, to notify the Governor that the General Assembly is duly organized in Special Session II and ready to receive any communication he may desire to make.

H.J.R. 6001, being of a purely procedural nature, was taken up for immediate consideration and agreed to.

Senator Norment was ordered to inform the House of Delegates thereof.

The President appointed Senators Quayle, Wagner, Houck, and Reynolds, the committee on the part of the Senate to inform the Governor that the General Assembly was duly organized and ready to receive any communication he may desire to make.

Senator Quayle, from the committee to inform the Governor that the General Assembly was duly organized and ready to receive any communication he may desire to make, reported that the committee had performed that duty.

**MESSAGE FROM THE HOUSE
IMMEDIATE CONSIDERATION**

A message was received from the House of Delegates by Delegate Griffith, who informed the Senate that the House had agreed to **H.J.R. 6002** (six thousand two); in which it requested the concurrence of the Senate:

H.J.R. 6002. Limiting legislation to be considered by the 2004 Special Session II of the General Assembly.

H.J.R. 6002 was taken up, read by title the first time, and referred to the Committee on Rules.

Senator Norment moved that the Rules be suspended and **H.J.R. 6002** (six thousand two) be taken up for immediate consideration, discharging the Committee on Rules from further consideration of the resolution, and waiving the second reading of the title.

The motion was agreed to.

The recorded vote is as follows:

YEAS--34. NAYS--0. RULE 36--0.

YEAS--Bolling, Chichester, Colgan, Cuccinelli, Deeds, Hanger, Hawkins, Houck, Howell, Lambert, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--34.

NAYS--0.

RULE 36--0.

H.J.R. 6002 was read by title the third time.

HOUSE JOINT RESOLUTION NO. 6002

Limiting legislation to be considered by the 2004 Special Session II of the General Assembly.

RESOLVED by the House of Delegates, the Senate concurring, That during the 2004 Special Session II, summoned by proclamation of the Governor on July 8, 2004, to begin at noon, Tuesday, July 13, 2004, no bill or joint resolution may be introduced except (i) any bill to reinstate exemptions to the day of rest laws, §§ 40.1-28.1 through 40.1-28.4 of the Code of Virginia, inadvertently removed from law by Chapter 608 of the 2004 Regular Session Acts of Assembly or (ii) any joint resolution affecting the rules of procedure or schedule of business of the General Assembly, either of its houses, or any of its committees; and, be it

RESOLVED FURTHER, That the Special Session II shall not consider the confirmation of any person appointed to office by the Governor, whose appointment is subject to confirmation by the General Assembly. The failure to consider any appointment shall not be deemed a refusal to confirm such appointment.

H.J.R. 6002, on motion of Senator Norment, was agreed to.

The recorded vote is as follows:

YEAS--36. NAYS--0. RULE 36--0.

YEAS--Bell, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Hanger, Hawkins, Houck, Howell, Lambert, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--36.

NAYS--0.

RULE 36--0.

Senator Norment was ordered to inform the House of Delegates thereof.

At 12:45 p.m., Senator Wampler moved that the Senate recess until 1:45 p.m.

The motion was agreed to.

The hour of 1:45 p.m. having arrived, the Chair was resumed.

COMMITTEE REPORT

The following bill, having been considered by the committee in session, was reported by Senator Wampler from the Committee on Commerce and Labor.

S.B. 6002 (six thousand two) with amendments.

SENATE BILL ON FIRST READING

S.B. 6002 (six thousand two) was read by title the first time.

Senator Quayle moved that the Rules be suspended and the second reading of the title of **S.B. 6002** as required by Article IV, Section 11, of the Constitution, be dispensed with.

The motion was agreed to.

The recorded vote is as follows:

YEAS--36. NAYS--0. RULE 36--0.

YEAS--Bell, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Hanger, Hawkins, Houck, Howell, Lambert, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--36.

NAYS--0.

RULE 36--0.

The following amendments proposed by the Committee on Commerce and Labor were offered:

1. Line 41, introduced, after line 40
strike
all of lines 41 through 45

2. Line 46, introduced, after line 45
insert

3. That it is the intent of the General Assembly that this act replaces repealed Virginia Code § 40.1-28.5 in its entirety, and that all case law interpreting the exceptions contained in the former Virginia Code § 18.2-341 (§ 18.2-341 A.1. through A.19., except 15.) be considered applicable to this new act to the degree and extent it was applicable to Virginia Code § 18.2-341 prior to its repeal by the 2004 VA. Acts, Chapter 608.

The reading of the amendments was waived.

On motion of Senator Quayle, the amendments were agreed to.

On motion of Senator Quayle, the bill was ordered to be engrossed and read by title the third time.

Senator Quayle moved that the Rules be suspended and the third reading of the title of **S.B. 6002** as required by Article IV, Section 11, of the Constitution, be dispensed with.

The motion was agreed to.

The recorded vote is as follows:

YEAS--36. NAYS--0. RULE 36--0.

YEAS--Bell, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Hanger, Hawkins, Houck, Howell, Lambert, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--36.

NAYS--0.

RULE 36--0.

S.B. 6002, on motion of Senator Quayle, was passed with its title.

The recorded vote is as follows:

YEAS--36. NAYS--0. RULE 36--0.

YEAS--Bell, Bolling, Chichester, Colgan, Cuccinelli, Deeds, Devolites, Hanger, Hawkins, Houck, Howell, Lambert, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Ticer, Wagner, Wampler, Watkins, Whipple, Williams--36.

NAYS--0.

RULE 36--0.

HOUSE COMMUNICATION

The following communication was received and read:

In the House of Delegates
July 13, 2004

THE HOUSE OF DELEGATES HAS PASSED WITH AMENDMENT THE FOLLOWING SENATE BILL:

S.B. 6002. An Act to amend the Code of Virginia by adding a section numbered 40.1-28.4:1, relating to employee's day of rest; persons engaged in certain businesses; emergency.

IN WHICH ACTION IT REQUESTS THE CONCURRENCE OF THE SENATE.

/s/ Bruce F. Jamerson
Clerk, House of Delegates

UNFINISHED BUSINESS—SENATE

S.B. 6002 (six thousand two) was taken up with the amendment proposed by the House of Delegates as follows:

1. Line 46, engrossed, after interpreting the
insert
meaning of the

On motion of Senator Quayle, the amendment was agreed to.

The recorded vote is as follows:

YEAS--34. NAYS--0. RULE 36--0.

YEAS--Bell, Bolling, Chichester, Cuccinelli, Deeds, Devolites, Hanger, Hawkins, Houck, Howell, Lambert, Lucas, Marsh, Martin, Miller, Mims, Newman, Norment, Obenshain, Potts, Puckett, Puller, Quayle, Rerras, Reynolds, Ruff, Saslaw, Stolle, Stosch, Wagner, Wampler, Watkins, Whipple, Williams--34.

NAYS--0.

RULE 36--0.

Senator Quayle was ordered to inform the House of Delegates thereof.

OTHER BUSINESS

Pursuant to Senate Rule 26 (f), the Clerk reported that Senator Cuccinelli had been added as a co-patron of **S.B. 6002** (six thousand two).

LEGISLATION SIGNED BY PRESIDING OFFICER

The President of the Senate as required by Article IV, Section 11, of the Constitution, on the date recorded below, signed the following bill that had been passed by both houses and duly enrolled:

July 13, 2004

S.B. 6002. An Act to amend the Code of Virginia by adding a section numbered 40.1-28.4:1, relating to employee's day of rest; persons engaged in certain businesses; emergency.

On motion of Senator Ruff, a leave of absence for the day was granted Senator Blevins.

On motion of Senator Whipple, a leave of absence for the day was granted Senator Edwards on account of pressing personal business.

On motion of Senator Puller, a leave of absence for the day was granted Senator Locke.

On motion of Senator Cuccinelli, a leave of absence for the day was granted Senator O'Brien on account of pressing personal business.

ADJOURNMENT SINE DIE

A message was received from the House of Delegates by Delegate Griffith, who informed the Senate that the House had agreed to **H.J.R. 6003** (six thousand three), as follows; in which it requested the concurrence of the Senate:

HOUSE JOINT RESOLUTION NO. 6003

Adjournment Sine Die.

WHEREAS, the House of Delegates and the Senate are ready to adjourn sine die; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That a committee of six on the part of the House of Delegates and four on the part of the Senate, be appointed to inform the Governor that the 2004 Special Session II of the General Assembly is ready to adjourn sine die and to inquire if he has any communication to make.

H.J.R. 6003, being of a purely procedural nature, was taken up for immediate consideration and agreed to.

Senator Norment was ordered to inform the House of Delegates thereof.

The President appointed Senators Stosch, Watkins, Lambert, and Marsh, the committee on the part of the Senate to inform the Governor that the General Assembly was ready to adjourn sine die and to inquire if he had any communication to make.

Subsequently, Senator Stosch, from the committee to inform the Governor that the General Assembly was ready to adjourn sine die and to inquire if he had any communication to make, reported that the committee had performed that duty.

MESSAGE FROM THE HOUSE

A message was received from the House of Delegates by Delegate Griffith, who informed the Senate that the House had adjourned sine die.

Senator Marsh moved that the Senate adjourn sine die.

The motion was agreed to.

The President declared the Senate adjourned sine die.

Senator Norment was ordered to inform the House of Delegates thereof.

A handwritten signature in black ink, appearing to read "Timothy M. Kaine". The signature is fluid and cursive, with a large initial "T" and a long horizontal stroke.

Timothy M. Kaine
President of the Senate

A handwritten signature in black ink, appearing to read "Susan Clarke Schaar". The signature is cursive and elegant, with a large initial "S" and a long horizontal stroke.

Susan Clarke Schaar
Clerk of the Senate

WEDNESDAY, AUGUST 18, 2004

The Senate met at 12 m. in Reconvened Session of the 2004 Special Session II and was called to order by President pro tempore John H. Chichester.

John McE. Garrett, Deputy Clerk of the Senate and Elder at St. James Presbyterian Church, King William, Virginia, offered the following prayer:

O God, our legislators come today to conclude another step in our legislative process. As they end today, prepare them for the future, give them the tools necessary so they can prepare for what is known by them and what is known only by You.

O God, we pray for the safety and welfare of those in Florida who have to endure the suffering of loss. Give them strength to cope with those things over which they have no control. Amen.

The roll was called and the following Senators answered to their names:

Bell, Chichester, Devolites, Edwards, Hanger, Houck, Howell, Mims, Newman, Puller, Stolle, Watkins.

Twelve Senators were present.

On motion of Senator Watkins, the reading of the Journal was waived.

The recorded vote is as follows:

YEAS--12. NAYS--0. RULE 36--0.

YEAS--Bell, Chichester, Devolites, Edwards, Hanger, Houck, Howell, Mims, Newman, Puller, Stolle, Watkins--12.

NAYS--0.

RULE 36--0.

ADJOURNMENT SINE DIE

A message was received from the House of Delegates by Delegate Landes, who informed the Senate that the House was ready on its part to adjourn sine die.

Senator Stolle was ordered to inform the House of Delegates that the Senate was ready on its part to adjourn sine die.

Senator Hanger moved that the Senate adjourn sine die.

The motion was agreed to.

The President pro tempore declared the Senate adjourned sine die.

Senator Hanger was ordered to notify the House of Delegates thereof.

MESSAGE FROM THE HOUSE

A message was received from the House of Delegates by Delegate Landes, who informed the Senate that the House had adjourned sine die.

A handwritten signature in black ink, appearing to read "John H. Chichester". The signature is written in a cursive style with a large, prominent initial "J".

John H. Chichester
President pro tempore of the Senate

A handwritten signature in black ink, appearing to read "Susan Clarke Schaar". The signature is written in a cursive style with a large, prominent initial "S".

Susan Clarke Schaar
Clerk of the Senate

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- 30. GENERAL ASSEMBLY.
- 31. GUARDIAN AND WARD.
- 32. HEALTH [Repealed].
- 32.1. HEALTH.
- 33. HIGHWAYS, BRIDGES AND FERRIES [Repealed].
- 33.1. HIGHWAYS, BRIDGES AND FERRIES.
- 34. HOMESTEAD AND OTHER EXEMPTIONS.
- 35. HOTELS, RESTAURANTS AND CAMPS [Repealed].
- 35.1. HOTELS, RESTAURANTS, SUMMER CAMPS, AND CAMPGROUNDS.
- 36. HOUSING.
- 37. INSANE, EPILEPTIC, FEEBLE-MINDED AND INEBRIATE PERSONS [Repealed].
- 37.1. INSTITUTIONS FOR THE MENTALLY ILL; MENTAL HEALTH GENERALLY.
- 38. INSURANCE [Repealed].
- 38.1. INSURANCE [Repealed].
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- 39. JUSTICES OF THE PEACE [Repealed].
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- 41. LAND OFFICE [Repealed].
- 41.1. LAND OFFICE.

- 42. LIBRARIES [Repealed].
- 42.1. LIBRARIES.
- 43. MECHANICS' AND CERTAIN OTHER LIENS.
- 44. MILITARY AND EMERGENCY LAWS.
- 45. MINES AND MINING [Repealed].
- 45.1. MINES AND MINING.
- 46. MOTOR VEHICLES [Repealed].
- 46.1. MOTOR VEHICLES [Repealed].
- 46.2. MOTOR VEHICLES.
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- 47.1. NOTARIES AND OUT-OF-STATE COMMISSIONERS.
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- 51. PENSIONS AND RETIREMENT [Repealed].
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- 51.5. PERSONS WITH DISABILITIES.
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- 53.1. PRISONS AND OTHER METHODS OF CORRECTION.
- 54. PROFESSIONS AND OCCUPATIONS [Repealed].
- 54.1. PROFESSIONS AND OCCUPATIONS.
- 55. PROPERTY AND CONVEYANCES.
- 56. PUBLIC SERVICE COMPANIES.
- 57. RELIGIOUS AND CHARITABLE MATTERS; CEMETERIES.
- 58. TAXATION [Repealed].
- 58.1. TAXATION.
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EXECUTIVE DEPARTMENT

GOVERNOR. *Mark R. Warner*
LIEUTENANT GOVERNOR. *Timothy M. Kaine*
ATTORNEY GENERAL. *Jerry W. Kilgore*
CHIEF OF STAFF. *William H. Leighly*
ADMINISTRATION, SECRETARY OF. *Sandra D. Bowen*
COMMERCE AND TRADE, SECRETARY OF. *Michael J. Schewel*
COMMONWEALTH, SECRETARY OF. *Anita A. Rimler*
COUNSELOR TO THE GOVERNOR. *Robert M. Blue*
EDUCATION, SECRETARY OF. *Belle S. Wheelan*
FINANCE, SECRETARY OF. *John M. Bennett*
HEALTH AND HUMAN RESOURCES, SECRETARY OF. *Jane H. Woods*
NATURAL RESOURCES, SECRETARY OF. *W. Tayloe Murphy, Jr.*
PUBLIC SAFETY, SECRETARY OF. *John William Marshall*
TECHNOLOGY, SECRETARY OF. *George C. Newstrom*
TRANSPORTATION, SECRETARY OF. *Whittington W. Clement*

LEGISLATIVE DEPARTMENT

SENATE

PRESIDENT. *Timothy M. Kaine*
PRESIDENT PRO TEMPORE. *John H. Chichester*
CLERK. *Susan Clarke Schaar*

HOUSE OF DELEGATES

SPEAKER. *William J. Howell*
CLERK. *Bruce F. Jamerson*

AUDITOR OF PUBLIC ACCOUNTS. *Walter J. Kucharski*
JOINT LEGISLATIVE AUDIT AND REVIEW COMMISSION, DIRECTOR. *Philip A. Leone*
LEGISLATIVE AUTOMATED SYSTEMS, DIVISION OF, DIRECTOR. *William E. Wilson*
LEGISLATIVE SERVICES, DIVISION OF, DIRECTOR. *E. M. Miller, Jr.*

JUDICIAL DEPARTMENT

SUPREME COURT OF VIRGINIA

CHIEF JUSTICE. *Leroy Rountree Hassell, Sr.*
ASSOCIATE JUSTICE. *Elizabeth B. Lacy*
ASSOCIATE JUSTICE. *Barbara Milano Keenan*
ASSOCIATE JUSTICE. *Lawrence L. Koontz, Jr.*
ASSOCIATE JUSTICE. *Cynthia D. Kinser*
ASSOCIATE JUSTICE. *Donald W. Lemons*
ASSOCIATE JUSTICE. *G. Steven Agee*

COURT OF APPEALS OF VIRGINIA

CHIEF JUDGE. *Johanna L. Fitzpatrick*
JUDGE. *James W. Benton, Jr.*
JUDGE. *Larry G. Elder*
JUDGE. *Rosemarie P. Annunziata*
JUDGE. *Rudolph K. Bumgardner, III*
JUDGE. *Robert P. Frank*
JUDGE. *Robert J. Humphreys*
JUDGE. *Jean Harrison Clements*
JUDGE. *Walter S. Felton, Jr.*
JUDGE. *D. Arthur Kelsey*
JUDGE. *Elizabeth A. McClanahan*

CORPORATION COMMISSION, STATE. *Theodore V. Morrison, Jr., Chairman*
Mark C. Christie
I. Clinton Miller

WORKERS' COMPENSATION COMMISSION, VIRGINIA. *Lawrence D. Tarr, Chairman*
Virginia R. Diamond
William L. Dudley, Jr.

**THE SENATE
2004 SPECIAL SESSION**

No. of District	Name	Mailing Address	County and/or City Represented (Residence Italicized)
22	Bell, J. Brandon, II (R)	P. O. Box 20855 Roanoke 24018	Counties of Botetourt, Montgomery (part), and <i>Roanoke</i> (part); Cities of Radford and Salem
14	Blevins, Harry B. (R)	P. O. Box 16207 Chesapeake 23328	Cities of <i>Chesapeake</i> (part) and Virginia Beach (part)
4	Bolling, Bill (R)	P. O. Box 3037 Mechanicsville 23116	Counties of Caroline, Essex, <i>Hanover</i> , King and Queen, King William, Middlesex, and Spotsylvania (part)
28	Chichester, John H. (R)	P. O. Box 904 Fredericksburg 22404-0904	Counties of Fauquier (part), King George, Lancaster, Northumberland, Prince William (part), Richmond, <i>Stafford</i> , and Westmoreland; City of Fredericksburg (part)
29	Colgan, Charles J. (D)	10677 Aviation Lane Manassas 20110-2701	County of <i>Prince William</i> (part); Cities of Manassas and Manassas Park
37	Cuccinelli, Kenneth T., II (R)	P.O. Box 684 Centreville 20122	County of <i>Fairfax</i> (part)
25	Deeds, R. Creigh (D)	P. O. Drawer D Hot Springs 24445 P. O. Box 5462 Charlottesville 22905-5462	Counties of Albemarle (part), Alleghany, <i>Bath</i> , Buckingham (part), Nelson, and Rockbridge (part); Cities of Buena Vista, Charlottesville, and Covington
34	Devolites, Jeannemarie (R)	P. O. Box 936 Vienna 22183	County of <i>Fairfax</i> (part); City of Fairfax
21	Edwards, John S. (D)	P. O. Box 1179 Roanoke 24006-1179	Counties of Craig, Giles, Montgomery (part), Pulaski (part), and Roanoke (part); City of <i>Roanoke</i>
24	Hanger, Emmett W., Jr. (R)	P. O. Box 2 Mount Solon 22843-0002	Counties of Albemarle (part), <i>Augusta</i> , Greene, Highland, Rockbridge (part), and Rockingham (part); Cities of Lexington, Staunton, and Waynesboro

**THE SENATE--(continued)
2004 SPECIAL SESSION**

No. of District	Name	Mailing Address	County and/or City Represented (Residence Italicized)
19	Hawkins, Charles R. (R)	P. O. Box 818 Chatham 24531-0818	Counties of Campbell (part), Franklin, and <i>Pittsylvania</i> ; City of Danville
17	Houck, R. Edward (D)	P. O. Box 7 Spotsylvania 22553-0007	Counties of Culpeper, Louisa, Madison, Orange, and <i>Spotsylvania</i> (part); City of Fredericksburg (part)
32	Howell, Janet D. (D)	P. O. Box 2608 Reston 20195-0608	County of <i>Fairfax</i> (part)
9	Lambert, Benjamin J., III (D)	904 North First Street Richmond 23219-1002	Counties of Charles City and Henrico (part); City of <i>Richmond</i> (part)
2	Locke, Mamie E. (D)	P. O. Box 3006 Hampton 23663	Cities of <i>Hampton</i> (part), Newport News (part), Portsmouth (part), and Suffolk (part)
18	Lucas, L. Louise (D)	P. O. Box 700 Portsmouth 23705-0700	Counties of Brunswick (part), Greensville, Isle of Wight (part), Lunenburg (part), Nottoway, Southampton (part), and Sussex; Cities of Chesapeake (part), Emporia, Franklin (part), <i>Portsmouth</i> (part), and Suffolk (part)
16	Marsh, Henry L., III (D)	600 East Broad St. Suite 402 Richmond 23219-1800	Counties of Chesterfield (part), Dinwiddie, and Prince George (part); Cities of Hopewell (part), Petersburg, and <i>Richmond</i> (part)
11	Martin, Stephen H. (R)	P. O. Box 700 Chesterfield 23832	County of <i>Chesterfield</i> (part); City of Colonial Heights
5	Miller, Yvonne B. (D)	555 Fenchurch St., Suite 403 Norfolk 23510	Cities of Chesapeake (part), <i>Norfolk</i> (part), and Virginia Beach (part)
33	Mims, Bill (R)	P. O. Box 741 Leesburg 20178-0741	Counties of Fairfax (part) and <i>Loudoun</i> (part)
23	Newman, Stephen D. (R)	P. O. Box 480 Forest 24551	Counties of Amherst (part), Bedford and Campbell (part); Cities of Bedford and <i>Lynchburg</i>

**THE SENATE--(continued)
2004 SPECIAL SESSION**

No. of District	Name	Mailing Address	County and/or City Represented (Residence Italicized)
3	Norment, Thomas K., Jr. (R)	P. O. Box 1697 Williamsburg 23187-1697	Counties of Gloucester, <i>James City</i> , New Kent and York (part); Cities of Newport News (part) and Williamsburg
26	Obenshain, Mark D. (R)	P. O. Box 555 Harrisonburg 22803	Counties of Page, Rappahannock, Rockingham (part), Shenandoah, and Warren; City of <i>Harrisonburg</i>
39	O'Brien, Jay (R)	P.O. Box 5 Clifton 20124	Counties of <i>Fairfax</i> (part) and and Prince William (part)
27	Potts, H. Russell, Jr. (R)	14 North Braddock Street Winchester 22601-4120	Counties of Clarke, Fauquier (part), Frederick, and Loudoun (part); City of <i>Winchester</i>
38	Puckett, Phillip P. (D)	P. O. Box 924 Tazewell 24651-0924	Counties of Bland, Buchanan, Dickenson, Pulaski (part), <i>Russell</i> , Smyth (part), Tazewell, Wise (part), and Wythe (part)
36	Puller, Linda T. (D)	P. O. Box 73 Mount Vernon 22121-0073	Counties of <i>Fairfax</i> (part) and Prince William (part)
13	Quayle, Frederick M. (R)	3808 Poplar Hill Road Suite E Chesapeake 23321-5524	Counties of Isle of Wight (part), Prince George (part), Southampton (part), and Surry; Cities of Chesapeake (part), Franklin (part), Hopewell (part), Portsmouth (part), and <i>Suffolk</i> (part)
6	Rerras, Nick (R)	1518 Springmeadow Blvd. Norfolk 23518-4814	Counties of Accomack, Mathews, and Northampton; Cities of <i>Norfolk</i> (part) and Virginia Beach (part)
20	Reynolds, Wm. Roscoe (D)	P. O. Box 404 Martinsville 24114-0404	Counties of Carroll, Floyd, Grayson (part), <i>Henry</i> , Patrick, and Wythe (part); Cities of Galax and Martinsville

**THE SENATE--(continued)
2004 SPECIAL SESSION**

No. of District	Name	Mailing Address	County and/or City Represented (Residence Italicized)
15	Ruff, Frank M., Jr. (R)	P. O. Box 332 Clarksville 23927	Counties of Amherst (part), Appomattox, Brunswick (part), Buckingham (part), Charlotte, Cumberland (part), Fluvanna, Halifax, Lunenburg (part), <i>Mecklenburg</i> , and Prince Edward
35	Saslaw, Richard L. (D)	P. O. Box 1856 Springfield 22151-0856	County of <i>Fairfax</i> (part); City of Alexandria (part)
8	Stolle, Kenneth W. (R)	Box 626, 2101 Parks Avenue Suite 700 Virginia Beach 23451	City of <i>Virginia Beach</i> (part)
12	Stosch, Walter A. (R)	Innsbrook Centre 4551 Cox Road, Suite 110 Glen Allen 23060-6740	Counties of Goochland (part) and <i>Henrico</i> (part); City of Richmond (part)
30	Ticer, Patricia S. (D)	Room 2007, City Hall 301 King Street Alexandria 22314-3211	Counties of Arlington (part) and Fairfax (part); City of <i>Alexandria</i> (part)
7	Wagner, Frank W. (R)	P. O. Box 68008 Virginia Beach 23471	City of <i>Virginia Beach</i> (part)
40	Wampler, William C., Jr. (R)	510 Cumberland Street Suite 308 Bristol 24201-4387	Counties of Grayson (part), Lee, Scott, Smyth (part), Washington, and Wise (part); Cities of <i>Bristol</i> and Norton
10	Watkins, John C. (R)	P. O. Box 159 Midlothian 23113-0159	Counties of Amelia, Chesterfield (part), Cumberland (part), Goochland (part), Henrico (part), and <i>Powhatan</i> ; City of Richmond (part)
31	Whipple, Mary Margaret (D)	3556 North Valley Street Arlington 22207-4445	Counties of <i>Arlington</i> (part), and Fairfax (part); City of Falls Church
1	Williams, Martin E. (R)	P. O. Box 1096 Newport News 23601-1096	County of York (part); Cities of Hampton (part), <i>Newport News</i> (part) and Poquoson

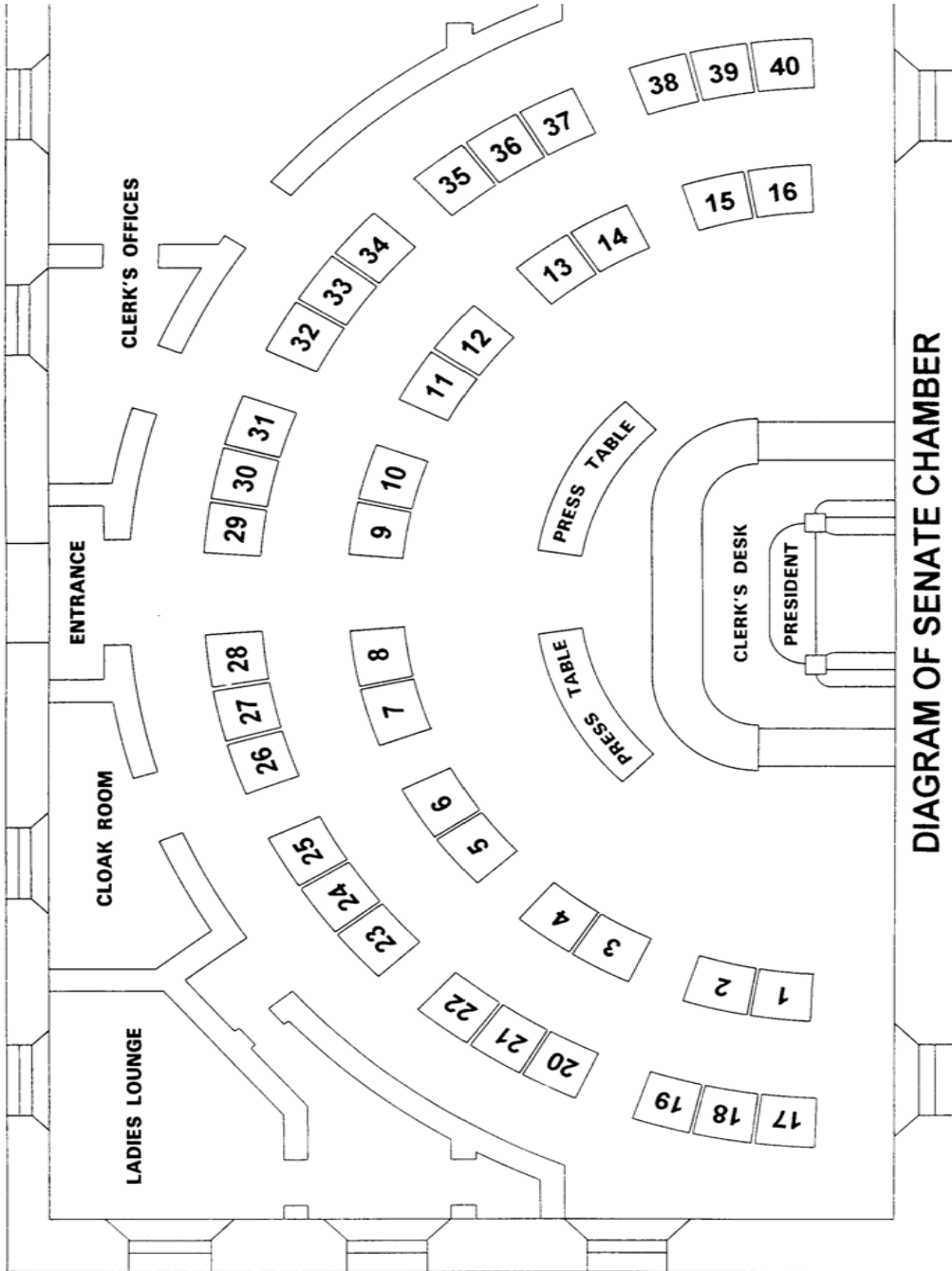
OFFICERS AND EMPLOYEES OF THE SENATE

Name	Office	Post Office	County or City
Kaine, Timothy M.	President	Richmond	Richmond City
Chichester, John H.	President pro tempore	Fredericksburg	Stafford
Schaar, Susan Clarke	Clerk	Richmond	Henrico
Garrett, John McE.	Deputy Clerk	Mechanicsville	Hanover
Bailey, Gwendolyn F.	Assistant Clerk	Richmond	Chesterfield
Atkinson, Jane R.	Assistant to the Clerk	Mechanicsville	Hanover
Ramsey, Rose	Secretary to the Clerk	Richmond	Richmond City
Mary, Charlotte	Fiscal Officer	Glen Allen	Henrico
Wright, Michelle R.	Assistant Fiscal Officer	Williamsburg	James City
Waldrop, Jan	Fiscal Accountant	Colonial Heights	Colonial Heights City
Moore, Jeanette C.	Support Services Administrator	Midlothian	Chesterfield
Bennett, Johnye	Purchasing Officer	Midlothian	Powhatan
Parker, Jennifer Jones	Administrative Assistant	Chesterfield	Chesterfield
Palmore, Jonathan	Director of Information Systems	Richmond	Henrico
Wettstone, Linda	Systems Analyst	Glen Allen	Henrico
Klouse, Kimberly	Systems Analyst	Midlothian	Chesterfield
Robertson, Glenn	Systems Analyst	Glen Allen	Henrico
OBrion, Trish	Legislative Information Officer	Richmond	Henrico
Carter, Barbara L.	Legislative Information Officer	Mechanicsville	Hanover
Hatfield, Nathan	Legislative Information Officer	Richmond	Henrico
Perkinson, Tara H.	Journal Clerk	Richmond	Henrico
Carr, Sylvia B.	Assistant Journal Clerk	Richmond	Henrico
Whitaker, Dianne W.	Assistant Journal Clerk	Richmond	Chesterfield
Lehman, Hobie	Staff Assistant	Richmond	Henrico
Gilman, Thomas C.	Sergeant-at-Arms/ Committee Operations Coordinator	Richmond	Henrico
Lung, Patricia J.	Senior Office Administrator	Mechanicsville	Hanover
Carr, Anna W.	Staff Assistant	Richmond	Richmond City
Caldwell, Angela	Journal Staff	Richmond	Chesterfield
Richardson, Terry	Postmaster	Chester	Chesterfield
Steidel, Joel P.	Staff Assistant	Richmond	Chesterfield
Senate Finance Committee Staff			
Daley, Elizabeth B.	Staff Director	Richmond	Henrico
Hickman, Richard E., Jr.	Deputy Staff Director	Richmond	Richmond City
Covey, Rebecca L.	Legislative Fiscal Analyst	Richmond	Richmond City
Dickerson, Sarah	Legislative Fiscal Analyst	Richmond	Richmond City
Echelberger, William E., Jr.	Legislative Fiscal Analyst	Richmond	Henrico
Flores, Joe	Legislative Fiscal Analyst	Chester	Chesterfield
Menkes, Neal	Legislative Fiscal Analyst	Richmond	Henrico
Oney, Daniel	Legislative Fiscal Analyst	Richmond	Henrico
Sebring, Amy	Legislative Fiscal Analyst	Mechanicsville	Hanover
Laing, Joann	Office Manager	Richmond	Henrico

LIST OF SENATORS IN ORDER OF SENIORITY

Name		Member of Senate	Member of House	Residence
1. Colgan, Charles J.	(D)	1976		Prince William
2. Chichester, John H.	(R)	1978		Stafford
3. Saslaw, Richard L.	(D)	1980	1976-80	Fairfax County
4. Houck, R. Edward	(D)	1984		Spotsylvania
5. Lambert, Benjamin J., III	(D)	1986	1978-86	Richmond City
6. Miller, Yvonne B.	(D)	1988	1984-88	Norfolk
7. Wampler, William C., Jr.	(R)	1988		Bristol
8. Hawkins, Charles R.	(R)	1992	1982-92	Pittsylvania
9. Stosch, Walter A.	(R)	1992	1983-92	Henrico
10. Howell, Janet D.	(D)	1992		Fairfax County
11. Marsh, Henry L., III	(D)	1992		Richmond City
12. Lucas, L. Louise	(D)	1992		Portsmouth
13. Stolle, Kenneth W.	(R)	1992		Virginia Beach
14. Quayle, Frederick M.	(R)	1992		Suffolk
15. Norment, Thomas K., Jr.	(R)	1992		James City
16. Potts, H. Russell, Jr.	(R)	1992		Winchester
17. Martin, Stephen H.	(R)	1994	1988-94	Chesterfield
18. Hanger, Emmett W., Jr.	(R)	1996	1983-92	Augusta
19. Newman, Stephen D.	(R)	1996	1992-96	Lynchburg
20. Bolling, Bill	(R)	1996		Hanover
21. Williams, Martin E.	(R)	1996		Newport News
22. Ticer, Patricia S.	(D)	1996		Alexandria
23. Edwards, John S.	(D)	1996		Roanoke City
24. Whipple, Mary Margaret	(D)	1996		Arlington
25. Reynolds, Wm. Roscoe	(D)	1997	1986-97	Henry
26. Watkins, John C.	(R)	1998	1982-98	Powhatan
27. Mims, Bill	(R)	1998	1992-98	Loudoun
28. Puckett, Phillip P.	(D)	1998		Russell
29. Puller, Linda T.	(D)	2000	1992-00	Fairfax County
30. Rerras, Nick	(R)	2000		Norfolk
31. Ruff, Frank M., Jr.	(R)	2000	1994-00	Mecklenburg
32. Wagner, Frank W.	(R)	2001	1992-01	Virginia Beach
33. Blevins, Harry B.	(R)	2001	1998-01	Chesapeake
34. Deeds, R. Creigh	(D)	2001	1992-01	Bath
35. Cuccinelli, Ken	(R)	2002		Fairfax County
36. O'Brien, Jay	(R)	2002	1992-02	Fairfax County
37. Bell, J. Brandon, II	(R)	2004, 1992-96		Roanoke County
38. Devolites, Jeannemarie	(R)	2004	1998-04	Fairfax County
39. Obenshain, Mark D.	(R)	2004		Harrisonburg
40. Locke, Mamie E.	(D)	2004		Hampton

SEATING CHART



**LIST OF SENATORS SHOWING
NUMBER OF SEAT**

Timothy M. Kaine, Lieutenant Governor, *President*
 John H. Chichester, *President pro tempore*
 Walter A. Stosch, *Majority Leader*
 Richard L. Saslaw, *Minority Leader*
 Susan Clarke Schaar, *Clerk*

Bell, J. Brandon, II (R)	38	Newman, Stephen D. (R).....	27
Blevins, Harry B. (R).....	37	Norment, Thomas K., Jr. (R)	30
Bolling, Bill (R).....	34	Obenshain, Mark D. (R)	40
Chichester, John H. (R)	9	O'Brien, Jay (R).....	15
Colgan, Charles J. (D)	28	Potts, H. Russell, Jr. (R)	12
Cuccinelli, Kenneth T., II (R).....	16	Puckett, Phillip P. (D).....	18
Deeds, R. Creigh (D)	17	Puller, Linda T. (D).....	2
Devolites, Jeannemarie (R).....	39	Quayle, Frederick M. (R)	11
Edwards, John S. (D).....	20	Rerras, Nick (R).....	33
Hanger, Emmett W., Jr. (R).....	7	Reynolds, Wm. Roscoe (D).....	19
Hawkins, Charles R. (R).....	29	Ruff, Frank M., Jr. (R).....	36
Houck, R. Edward (D).....	6	Saslaw, Richard L. (D)	25
Howell, Janet D. (D).....	24	Stolle, Kenneth W. (R).....	31
Lambert, Benjamin J., III (D).....	5	Stosch, Walter A. (R).....	8
Locke, Mamie E. (D).....	1	Ticer, Patricia S. (D)	3
Lucas, L. Louise (D).....	22	Wagner, Frank W. (R).....	14
Marsh, Henry L., III (D)	23	Wampler, William C., Jr. (R)	10
Martin, Stephen H. (R)	32	Watkins, John C. (R).....	13
Miller, Yvonne B. (D).....	4	Whipple, Mary Margaret (D)	21
Mims, Bill (R).....	35	Williams, Martin E. (R)	26

SENATORS

General Assembly Building
Capitol Square
Richmond, Virginia 23219

Room Numbers	Senators	Telephone
314	Bell, J. Brandon, II (R)	698-7522
306	Blevins, Harry B. (R)	698-7514
317	Bolling, Bill (R).....	698-7504
626	Chichester, John H. (R)	698-7528
432	Colgan, Charles J. (D)	698-7529
313	Cuccinelli, Kenneth T., II (R)	698-7537
308	Deeds, R. Creigh (D)	698-7525
323	Devolites, Jeannemarie (R)	698-7534
309	Edwards, John S. (D).....	698-7521
431	Hanger, Emmett W., Jr. (R)	698-7524
321	Hawkins, Charles R. (R).....	698-7519
326	Houck, R. Edward (D).....	698-7517
327	Howell, Janet D. (D).....	698-7532
311	Lambert, Benjamin J., III (D).....	698-7509
322	Locke, Mamie E. (D).....	698-7502
328	Lucas, L. Louise (D).....	698-7518
329	Marsh, Henry L., III (D).....	698-7516
302	Martin, Stephen H. (R)	698-7511
315	Miller, Yvonne B. (D).....	698-7505
320	Mims, Bill (R)	698-7533
303	Newman, Stephen D. (R).....	698-7523
427	Norment, Thomas K., Jr. (R)	698-7503
310	Obenshain, Mark D. (R)	698-7526
316	O'Brien, Jay (R)	698-7539
330	Potts, H. Russell, Jr. (R)	698-7527
318	Puckett, Phillip P. (D).....	698-7538
428	Puller, Linda T. (D).....	698-7536
304	Quayle, Frederick M. (R)	698-7513
305	Rerras, Nick (R)	698-7506
319	Reynolds, Wm. Roscoe (D).....	698-7520
307	Ruff, Frank M., Jr. (R)	698-7515
613	Saslaw, Richard L. (D)	698-7535
426	Stolle, Kenneth W. (R)	698-7508
621	Stosch, Walter A. (R).....	698-7512
429	Ticer, Patricia S. (D).....	698-7530
312	Wagner, Frank W. (R).....	698-7507
301	Wampler, William C., Jr. (R).....	698-7540
331	Watkins, John C. (R)	698-7510
430	Whipple, Mary Margaret (D)	698-7531
332	Williams, Martin E. (R).....	698-7501

**SENATORS AND DELEGATES BY COUNTIES
2004 SPECIAL SESSION**

COUNTIES	SENATORS	DELEGATES
Accomack	Nick Rerras (R)	Lynwood W. Lewis, Jr. (D)
Albemarle	R. Creigh Deeds (D) Emmett W. Hanger, Jr. (R)	Watkins M. Abbitt, Jr. (I) Robert B. Bell (R) R. Steven Landes (R) Mitchell Van Yahres (D)
Alleghany	R. Creigh Deeds (D)	James M. Shuler (D)
Amelia	John C. Watkins (R)	Thomas C. Wright, Jr. (R)
Amherst	Stephen D. Newman (R) Frank M. Ruff, Jr. (R)	L. Preston Bryant, Jr. (R) Benjamin L. Cline (R)
Appomattox	Frank M. Ruff, Jr. (R)	Watkins M. Abbitt, Jr. (I)
Arlington	Patricia S. Ticer (D) Mary Margaret Whipple (D)	Robert H. Brink (D) Adam P. Ebbin (D) Albert C. Eisenberg (D) Marian Van Landingham (D)
Augusta	Emmett W. Hanger, Jr. (R)	Benjamin L. Cline (R) R. Steven Landes (R) Christopher B. Saxman (R)
Bath	R. Creigh Deeds (D)	James M. Shuler (D)
Bedford	Stephen D. Newman (R)	Kathy J. Byron (R) Lacey E. Putney (I)
Bland	Phillip P. Puckett (D)	W. Benny Keister (D)
Botetourt	J. Brandon Bell II (R)	William H. Fralin, Jr. (R) Lacey E. Putney (I)
Brunswick	L. Louise Lucas (D) Frank M. Ruff, Jr. (R)	J. Paul Councill, Jr. (D) Thomas C. Wright, Jr. (R)
Buchanan	Phillip P. Puckett (D)	Jackie T. Stump (D)
Buckingham	R. Creigh Deeds (D) Frank M. Ruff, Jr. (R)	Watkins M. Abbitt, Jr. (I)
Campbell	Charles R. Hawkins (R) Stephen D. Newman (R)	Kathy J. Byron (R)
Caroline	Bill Bolling (R)	Ryan T. McDougle (R) Robert D. Orrock, Sr. (R) Albert C. Pollard, Jr. (D)
Carroll	Wm. Roscoe Reynolds (D)	Ward L. Armstrong (D) Charles W. Carrico, Sr. (R)
Charles City	Benjamin J. Lambert III (D)	Floyd H. Miles, Sr. (D)
Charlotte	Frank M. Ruff, Jr. (R)	Clarke N. Hogan (R)
Chesterfield	Henry L. Marsh III (D) Stephen H. Martin (R) John C. Watkins (R)	Fenton L. Bland, Jr. (D) M. Kirkland Cox (R) Franklin P. Hall (D) Riley E. Ingram (R) Dwight Clinton Jones (D) Bradley P. Marrs (R) Samuel A. Nixon, Jr. (R) R. Lee Ware, Jr. (R)
Clarke	H. Russell Potts, Jr. (R)	Joe T. May (R)
Craig	John S. Edwards (D)	James M. Shuler (D)

SENATORS AND DELEGATES BY COUNTIES
2004 SPECIAL SESSION

COUNTIES	SENATORS	DELEGATES
Culpeper.....	R. Edward Houck (D)	Edward T. Scott (R)
Cumberland.....	Frank M. Ruff, Jr. (R)	Watkins M. Abbitt, Jr. (I)
	John C. Watkins (R)	
Dickenson	Phillip P. Puckett (D)	Clarence E. Phillips (D)
Dinwiddie.....	Henry L. Marsh III (D)	Fenton L. Bland, Jr. (D)
Essex	Bill Bolling (R)	Harvey B. Morgan (R)
Fairfax	Kenneth T. Cuccinelli (R).....	David B. Albo (R)
	Jeannemarie Devolites (R).....	Kristen J. Amundson (D)
	Janet D. Howell (D).....	Vincent F. Callahan, Jr. (R)
	Bill Mims (R).....	James H. Dillard II (R)
	Jay O'Brien (R).....	Adam P. Ebbin (D)
	Linda T. Puller (D).....	Timothy D. Hugo (R)
	Richard L. Saslaw (D)	Robert D. Hull (D)
	Patricia S. Ticer (D)	Brian J. Moran (D)
	Mary Margaret Whipple (D).....	J. Chapman Petersen (D)
		Kenneth R. Plum (D)
		Gary A. Reese (R)
		Thomas Davis Rust (R)
		James M. Scott (D)
		Stephen C. Shannon (D)
		Mark D. Sickles (D)
		Marian Van Lanningham (D)
		Vivian E. Watts (D)
Fauquier	John H. Chichester (R).....	Clifford L. Athey, Jr. (R)
	H. Russell Potts, Jr. (R).....	Mark L. Cole (R)
		L. Scott Lingamfelter (R)
Floyd	Wm. Roscoe Reynolds (D)	Allen W. Dudley (R)
Fluvanna.....	Frank M. Ruff, Jr. (R)	Watkins M. Abbitt, Jr. (I)
		Robert B. Bell (R)
Franklin.....	Charles R. Hawkins (R)	Allen W. Dudley (R)
Frederick	H. Russell Potts, Jr. (R).....	Clifford L. Athey, Jr. (R)
		Beverly J. Sherwood (R)
Giles	John S. Edwards (D)	W. Benny Keister (D)
		James M. Shuler (D)
Gloucester	Thomas K. Norment, Jr. (R)	Harvey B. Morgan (R)
Goochland.....	Walter A. Stosch (R)	William R. Janis (R)
	John C. Watkins (R)	
Grayson.....	Wm. Roscoe Reynolds (D)	Charles W. Carrico, Sr. (R)
	William C. Wampler, Jr. (R)	

**SENATORS AND DELEGATES BY COUNTIES
2004 SPECIAL SESSION**

COUNTIES	SENATORS	DELEGATES
Greene.....	Emmett W. Hanger, Jr. (R).....	Robert B. Bell (R)
Greensville.....	L. Louise Lucas (D).....	J. Paul Councill, Jr. (D)
Halifax.....	Frank M. Ruff, Jr. (R).....	Clarke N. Hogan (R)
Hanover.....	Bill Bolling (R).....	Frank D. Hargrove, Sr. (R) Ryan T. McDougale (R)
Henrico.....	Benjamin J. Lambert III (D).....	Viola O. Baskerville (D)
	Walter A. Stosch (R).....	Riley E. Ingram (R)
	John C. Watkins (R).....	William R. Janis (R) Dwight Clinton Jones (D) Ryan T. McDougale (R) Floyd H. Miles, Sr. (D) John M. O’ Bannon III (R) John S. Reid (R)
Henry.....	Wm. Roscoe Reynolds (D).....	Ward L. Armstrong (D) Robert Hurt (R) Daniel W. Marshall III (R)
Highland.....	Emmett W. Hanger, Jr. (R).....	Christopher B. Saxman (R)
Isle of Wight.....	L. Louise Lucas (D).....	William K. Barlow (D)
	Frederick M. Quayle (R).....	J. Paul Councill, Jr. (D)
James City.....	Thomas K. Norment, Jr. (R).....	William K. Barlow (D) Phillip A. Hamilton (R) Melanie L. Rapp (R)
King and Queen.....	Bill Bolling (R).....	Ryan T. McDougale (R) Harvey B. Morgan (R)
King George.....	John H. Chichester (R).....	Albert C. Pollard, Jr. (D)
King William.....	Bill Bolling (R).....	Ryan T. McDougale (R) Harvey B. Morgan (R)
Lancaster.....	John H. Chichester (R).....	Albert C. Pollard, Jr. (D)
Lee.....	William C. Wampler, Jr. (R).....	Terry G. Kilgore (R)
Loudoun.....	Bill Mims (R).....	Richard H. Black (R)
	H. Russell Potts, Jr. (R).....	Robert G. Marshall (R) Joe T. May (R) Gary A. Reese (R) Thomas Davis Rust (R)
Louisa.....	R. Edward Houck (D).....	William R. Janis (R)
Lunenburg.....	L. Louise Lucas (D).....	J. Paul Councill, Jr. (D)
	Frank M. Ruff, Jr. (R).....	Thomas C. Wright, Jr. (R)
Madison.....	R. Edward Houck (D).....	Edward T. Scott (R)
Mathews.....	Nick Rerras (R).....	Harvey B. Morgan (R)
Mecklenburg.....	Frank M. Ruff, Jr. (R).....	Thomas C. Wright, Jr. (R)
Middlesex.....	Bill Bolling (R).....	Harvey B. Morgan (R)
Montgomery.....	J. Brandon Bell II (R).....	David A. Nutter (R)
	John S. Edwards (D).....	James M. Shuler (D)
Nelson.....	R. Creigh Deeds (D).....	Watkins M. Abbitt, Jr. (I)
New Kent.....	Thomas K. Norment, Jr. (R).....	Ryan T. McDougale (R)
Northampton.....	Nick Rerras (R).....	Lynwood W. Lewis, Jr. (D)

**SENATORS AND DELEGATES BY COUNTIES
2004 SPECIAL SESSION**

COUNTIES	SENATORS	DELEGATES
Northumberland	John H. Chichester (R).....	Albert C. Pollard, Jr. (D)
Nottoway.....	L. Louise Lucas (D).....	Clarke N. Hogan (R) Thomas C. Wright, Jr. (R)
Orange.....	R. Edward Houck (D).....	Robert B. Bell (R) Edward T. Scott (R)
Page.....	Mark D. Obenshain (R)	Allen L. Louderback (R)
Patrick	Wm. Roscoe Reynolds (D)	Ward L. Armstrong (D)
Pittsylvania.....	Charles R. Hawkins (R).....	Allen W. Dudley (R) Robert Hurt (R) Daniel W. Marshall III (R)
Powhatan.....	John C. Watkins (R).....	R. Lee Ware, Jr. (R)
Prince Edward.....	Frank M. Ruff, Jr. (R)	Watkins M. Abbitt, Jr. (I) Clarke N. Hogan (R)
Prince George.....	Henry L. Marsh III (D)	Riley E. Ingram (R)
	Frederick M. Quayle (R).....	Floyd H. Miles, Sr. (D)
Prince William	John H. Chichester (R).....	Jeffrey M. Frederick (R)
	Charles J. Colgan (D).....	L. Scott Lingamfelter (R)
	Jay O'Brien (R).....	Robert G. Marshall (R)
	Linda T. Puller (D).....	Michele B. McQuigg (R) Harry J. Parrish (R)
Pulaski.....	John S. Edwards (D)	W. Benny Keister (D)
	Phillip P. Puckett (D)	David A. Nutter (R)
Rappahannock.....	Mark D. Obenshain (R)	Allen L. Louderback (R)
Richmond.....	John H. Chichester (R).....	Albert C. Pollard, Jr. (D)
Roanoke	J. Brandon Bell II (R)	William H. Fralin, Jr. (R)
	John S. Edwards (D).....	H. Morgan Griffith (R) Onzlee Ware (D)
Rockbridge.....	R. Creigh Deeds (D)	Benjamin L. Cline (R)
	Emmett W. Hanger, Jr. (R)	
Rockingham	Emmett W. Hanger, Jr. (R).....	R. Steven Landes (R)
	Mark D. Obenshain (R)	Allen L. Louderback (R) Christopher B. Saxman (R) Glenn M. Weatherholtz (R)
Russell.....	Phillip P. Puckett (D)	Clarence E. Phillips (D) Jackie T. Stump (D)
Scott	William C. Wampler, Jr. (R)	Terry G. Kilgore (R)
Shenandoah.....	Mark D. Obenshain (R)	Allen L. Louderback (R)
Smyth.....	Phillip P. Puckett (D)	Charles W. Carrico, Sr. (R)
	William C. Wampler, Jr. (R)	Joseph P. Johnson, Jr. (D)
Southampton	L. Louise Lucas (D).....	William K. Barlow (D)
	Frederick M. Quayle (R).....	J. Paul Council, Jr. (D)

**SENATORS AND DELEGATES BY COUNTIES
2004 SPECIAL SESSION**

COUNTIES	SENATORS	DELEGATES
Spotsylvania.....	Bill Bolling (R).....	Mark L. Cole (R)
	R. Edward Houck (D).....	Ryan T. McDougale (R) Robert D. Orrock, Sr. (R)
Stafford.....	John H. Chichester (R).....	Mark L. Cole (R)
		William J. Howell (R)
Surry.....	Frederick M. Quayle (R).....	William K. Barlow (D)
Sussex.....	L. Louise Lucas (D).....	J. Paul Councill, Jr. (D)
Tazewell.....	Phillip P. Puckett (D).....	W. Benny Keister (D)
		Jackie T. Stump (D)
Warren.....	Mark D. Obenshain (R).....	Clifford L. Athey, Jr. (R)
Washington.....	William C. Wampler, Jr. (R).....	Joseph P. Johnson, Jr. (D)
		Terry G. Kilgore (R)
Westmoreland.....	John H. Chichester (R).....	Albert C. Pollard, Jr. (D)
Wise.....	Phillip P. Puckett (D).....	Terry G. Kilgore (R)
		William C. Wampler, Jr. (R).....
Wythe.....	Phillip P. Puckett (D).....	Charles W. Carrico, Sr. (R)
		Wm. Roscoe Reynolds (D).....
York.....	Thomas K. Norment, Jr. (R).....	Thomas D. Gear (R)
		Martin E. Williams (R).....

SUMMARY OF 2004 SPECIAL SESSION I LEGISLATION

TOTAL LEGISLATION103

 Senate Bills7

 House Bills.....22

 Senate Joint Resolutions23

 House Joint Resolutions.....44

 Senate Resolutions1

 House Resolutions6

TOTAL LEGISLATION PASSED AND/OR AGREED TO.....74

 Senate Bills2

 House Bills.....2

 Senate Joint Resolutions22

 House Joint Resolutions.....41

 Senate Resolutions1

 House Resolutions6

TOTAL BILLS ENACTED INTO LAW4

 Senate Bills2

 House Bills.....2

 Senate Joint Resolutions0

 House Joint Resolutions.....0

TOTAL CHAPTERS.....4

BILLS VETOED BY GOVERNOR.....0

HOUSE AND SENATE BILLS APPROVED SHOWING CHAPTERS AND PAGE NUMBERS
2004 SPECIAL SESSION I ACTS OF ASSEMBLY

HOUSE			SENATE		
HB	Chapter	Page	SB	Chapter	Page
5001	4	36	5005	1	1
5018	3	9	5007	2E	8

Note: E signifies emergency status

**SENATORS AND DELEGATES BY CITIES
2004 SPECIAL SESSION**

CITIES	SENATORS	DELEGATES
Alexandria	Richard L. Saslaw (D) Patricia S. Ticer (D)	Adam P. Ebbin (D) Brian J. Moran (D) Marian Van Landingham (D)
Bedford	Stephen D. Newman (R)	Lacey E. Putney (I)
Bristol	William C. Wampler, Jr. (R)	Joseph P. Johnson, Jr. (D)
Buena Vista	R. Creigh Deeds (D)	Benjamin L. Cline (R)
Charlottesville	R. Creigh Deeds (D)	Mitchell Van Yahres (D)
Chesapeake	Harry B. Blevins (R) L. Louise Lucas (D) Yvonne B. Miller (D) Frederick M. Quayle (R)	John A. Cosgrove (R) Algie T. Howell, Jr. (D) Johnny S. Joannou (D) S. Chris Jones (R) Kenneth R. Melvin (D) Lionell Spruill, Sr. (D) Terrie L. Suit (R)
Colonial Heights	Stephen H. Martin (R)	M. Kirkland Cox (R)
Covington	R. Creigh Deeds (D)	James M. Shuler (D)
Danville	Charles R. Hawkins (R)	Daniel W. Marshall III (R)
Emporia	L. Louise Lucas (D)	J. Paul Council, Jr. (D)
Fairfax	Jeannemarie Devolites (R)	J. Chapman Petersen (D)
Falls Church	Mary Margaret Whipple (D)	James M. Scott (D)
Franklin	L. Louise Lucas (D) Frederick M. Quayle (R)	William K. Barlow (D) J. Paul Council, Jr. (D)
Fredericksburg	John H. Chichester (R) R. Edward Houck (D)	William J. Howell (R)
Galax	Wm. Roscoe Reynolds (D)	Charles W. Carrico, Sr. (R)
Hampton	Mamie E. Locke (D) Martin E. Williams (R)	Mamye E. BaCote (D) Thomas D. Gear (R) Lynwood W. Lewis, Jr. (D) Jeion A. Ward (D)
Harrisonburg	Mark D. Obenshain (R)	Glenn M. Weatherholtz (R)
Hopewell	Henry L. Marsh III (D) Frederick M. Quayle (R)	Riley E. Ingram (R) Floyd H. Miles, Sr. (D)
Lexington	Emmett W. Hanger, Jr. (R)	Benjamin L. Cline (R)
Lynchburg	Stephen D. Newman (R)	L. Preston Bryant, Jr. (R)
Manassas	Charles J. Colgan (D)	Harry J. Parrish (R)
Manassas Park	Charles J. Colgan (D)	Harry J. Parrish (R)
Martinsville	Wm. Roscoe Reynolds (D)	Ward L. Armstrong (D) Robert Hurt (R)
Newport News	Mamie E. Locke (D) Thomas K. Norment, Jr. (R) Martin E. Williams (R)	Mamye E. BaCote (D) Phillip A. Hamilton (R) G. Glenn Oder (R) Melanie L. Rapp (R)
Norfolk	Yvonne B. Miller (D) Nick Rerras (R)	Kenneth C. Alexander (D) Thelma Drake (R) Algie T. Howell, Jr. (D) Johnny S. Joannou (D)

**SENATORS AND DELEGATES BY CITIES
2004 SPECIAL SESSION**

CITIES	SENATORS	DELEGATES
Norfolk (continued)		Lynwood W. Lewis, Jr. (D) Kenneth R. Melvin (D)
Norton	William C. Wampler, Jr. (R)	Clarence E. Phillips (D)
Petersburg	Henry L. Marsh III (D)	Fenton L. Bland, Jr. (D)
Poquoson	Martin E. Williams (R)	Thomas D. Gear (R)
Portsmouth	Mamie E. Locke (D) L. Louise Lucas (D) Frederick M. Quayle (R)	Johnny S. Joannou (D) Kenneth R. Melvin (D)
Radford	J. Brandon Bell II (R)	David A. Nutter (R)
Richmond	Benjamin J. Lambert III (D) Henry L. Marsh III (D) Walter A. Stosch (R) John C. Watkins (R)	Viola O. Baskerville (D) Franklin P. Hall (D) Dwight Clinton Jones (D) Bradley P. Marrs (R) Floyd H. Miles, Sr. (D) John M. O'Bannon III (R)
Roanoke	John S. Edwards (D)	William H. Fralin, Jr. (R) Onzlee Ware (D)
Salem	J. Brandon Bell II (R)	H. Morgan Griffith (R)
Staunton	Emmett W. Hanger, Jr. (R)	Christopher B. Saxman (R)
Suffolk	Mamie E. Locke (D) L. Louise Lucas (D) Frederick M. Quayle (R)	Johnny S. Joannou (D) S. Chris Jones (R) Lionell Spruill, Sr. (D)
Virginia Beach	Harry B. Blevins (R) Yvonne B. Miller (D) Nick Rerras (R) Kenneth W. Stolle (R) Frank W. Wagner (R)	Algie T. Howell, Jr. (D) Robert F. McDonnell (R) Harry R. Purkey (R) Terrie L. Suit (R) Robert Tata (R) Leo C. Wardrup, Jr. (R) John J. Welch III (R)
Waynesboro	Emmett W. Hanger, Jr. (R)	R. Steven Landes (R)
Williamsburg	Thomas K. Norment, Jr. (R)	William K. Barlow (D)
Winchester	H. Russell Potts, Jr. (R)	Beverly J. Sherwood (R)

SUMMARY OF 2004 SPECIAL SESSION II LEGISLATION

TOTAL LEGISLATION 8

 Senate Bills 2

 House Bills..... 0

 Senate Joint Resolutions 1

 House Joint Resolutions..... 3

 Senate Resolutions 1

 House Resolutions 1

TOTAL LEGISLATION PASSED AND/OR AGREED TO..... 6

 Senate Bills 1

 House Bills..... 0

 Senate Joint Resolutions 0

 House Joint Resolutions..... 3

 Senate Resolutions 1

 House Resolutions 1

TOTAL BILLS ENACTED INTO LAW 1

 Senate Bills 1

 House Bills..... 0

 Senate Joint Resolutions 0

 House Joint Resolutions..... 0

TOTAL CHAPTERS..... 1

BILLS VETOED BY GOVERNOR..... 0

**SENATE BILL APPROVED SHOWING CHAPTER AND PAGE NUMBER
2004 SPECIAL SESSION II ACTS OF ASSEMBLY**

SENATE		
SB	Chapter	Page
6002	1 E	1

Note: E signifies emergency status

