

Report on Governor's Amendments to the 2008-10 Appropriation Act (HB1600/SB850) Language Changes

Sources of Information

The amended 2008-10 Appropriation Act (HB1600/SB850) is available at <http://leg2.state.va.us/MoneyWeb.NSF/sb2009>.

The Governor's Executive Budget Document is available at <http://dpb.virginia.gov/budget/buddoc09/index.cfm>.

The University's Office of State Governmental Relations maintains the most recent analysis of the Budget Bill and the 2009 General Assembly Session at <http://www.virginia.edu/governmentalrelations/>.

Compensation and Benefits

July 1, 2009/November 25, 2009 Salary Increase – Governor eliminates planned increase for faculty and staff. (Item 472, page 514)

State Contribution Rates – Governor proposes state contribution rates at:

Group Life Insurance Program – 0.79%, down from 0.82%.

VSDP – 0.8%, down from 1.79%.

Retiree health insurance credit – 1.0%, down from 1.18%. (Item 472, page 519)

Long-Term Care Coverage Program – Governor closes the program to new members and gives each participant a one-time election to continue coverage on a participant-paid basis. (Item 472, page 520)

Terminated Employees and VRS – Governor provides language that says a terminating agency is not required to pay VRS for enhanced retirement benefits, but the cost of involuntarily separated employees will be factored into VRS contribution rates, effective 6/30/09. (Item 472, page 520)

Department of Employee Dispute Resolution – Governor includes language that, effective July 1, 2009, this department will be administered by the Department of Human Resource Management. (Item 77, page 73)

Human Rights Council - Governor includes language that, effective July 1, 2009, this department will be administered by the Department of Labor and Industry. (Item 87, page 83)

Capital Outlay

Department of General Services (DGS) – Governor requires DGS to produce a report to review and detail administrative expenses, revenue sources, and financial obligations of the Division of Real Estate Services. The report, due 7/15/09, shall include a plan for reducing fees assessed to agencies and institutions by 15% in FY10. (Item 79, page 75)

Report on Governor's Amendments to the 2008-10 Appropriation Act (HB1600/SB850)

Language Changes

Page 2 of 3

NGF Swap for Debt – Governor replaces University and Medical Center NGF for state-funded debt for two projects: Alderman Road Housing (\$8.9 million) and Medical Center Facilities (\$40 million). (Item C-63.06 and C-63.07, page 560)

GF Swap for Debt – Governor restores any amounts reverted from cash in 08-09 with debt proceeds for Ruffin Hall (16283), Gilmer Teaching Labs (16788), the Information Technology Engineering Bldg planning (17476), and Wise's Drama Bldg (16830). Also replaces cash with debt in FY10 (available July 1, 2009) related to the Couric Cancer Center (17155). (Item C-182, page 600-602)

Other Higher Ed

Higher Education Restructuring – Governor has introduced, in conjunction with feedback from institutions of higher education, a number of language changes related to the assessment of institutional performance. (Item 4-9.00, page 686 – 691).

Interest on Educational and General Balances – Governor reduces general fund appropriation since amounts due to level 3 institutions are actually non-general fund revenues earned by the institutions, deposited to the state, and held in escrow on behalf of the institutions. (Item 467, page 507)

Financial Aid and Withdrawn Student – Governor amends language to state that rather than following tuition refund policy at particular school, an institution will calculate the unearned portion of the aid based on the percentage used for the federal Return to Title IV program purposes. (Item 4-5.01a.d, page 664)

Virginia Teaching Scholarship Loan Program – Governor stipulates that the Department of Education will make payments on behalf of scholarship recipients directly to the institution of higher education where the scholarship is enrolled. (Item 139, page 135).

Optometry Scholarships – Governor eliminates program in both years, a savings of \$26,640 in each year. (Item 147, page 179)

Tuition Assistance Grant (TAG) Program – Governor begins a phase-out of the program for graduate students, beginning July 1, 2009. (Item 147, page 181)

Tuition Moderation Incentive Fund – Governor eliminates the program for FY10. (Item 254, page 260)

Eminent Scholars – Governor eliminates entire \$6 million matching fund for this program -- a \$2.8 million reduction to the University. (Item 148, page 182)

Department of Health Dentistry Scholarships – Governor eliminates \$325,000 in each year for scholarships and loan repayments for dental students. (Item 290, page 306)

Report on Governor's Amendments to the 2008-10 Appropriation Act (HB1600/SB850)

Language Changes

Page 3 of 3

Commonwealth Technology Research Fund (CTRF) – Governor re-designates CTRF to be used to “assist in commercializing research developed at institutions of higher education in Virginia in the fields of energy, conservation, environment, microelectronics, or lifespan biology and medicine. Governor establishes Innovative Technology Authority (rather than an Advisory Committee on Competitive Research) as the granting agency. Governor provides that \$75,000 in each year will be matched by respective institutions of higher education to fund administrative costs. (Item 254, page 258)

Two Year College Transfer Grant Program – Governor increases investment in the program from \$1.8 million to \$3.1 million. (Item 474, page 526).

Other

Department of Medical Assistance Services (DMAS) – Governor provides new language around reimbursement and capitation rates. (Item 306, page 339-344)

Citizen Member Per Diems – Governor eliminates the payment of per diems for citizen members of boards or commissions, transferring \$77,000 from agency budgets to reflect this decrease. (Item 475, page 527)

Erosion and Sediment Control – Governor provides that public institutions of higher education are to be subject to review and compliance for state erosion and sediment control requirements by the local authority within which the land disturbing activity, unless such institution submits annual specifications to the Department of Conservation and Recreation. (Item 361, page 405)

Virginia Enterprise Application Project (VEAP) – Governor includes language that, effective July 1, 2009, VEAP will cease to exist as a separate agency and will be established as a division under Information Technology Planning and Quality Control program under the Virginia Information Technologies Agency. (Item 63, page 43).

Division of Purchases and Supply – Governor removes language directing the division to standardize the general delegation of procurement authority for all goods and non-professional services, including IT. (Item 80, page 76)