

Summary of 2018-20 Budget Proposed by the Governor and General Assembly Amendments

Academic Division

Category	Governor	House	Senate	General Assembly (final)
Base Budget	N/A	Provides \$1.33 million in FY2019 and \$2.66 million in FY2020 to increase degrees in Data Science & Technology (10 in 1 st year and 20 in 2 nd year), Science & Engineering (15 in 1 st year and 30 in 2 nd year), Healthcare (10 in 1 st year and 20 in 2 nd year), and Education (5 in 1 st year and 10 in 2 nd year) and establishes procedures to measure degree production (includes Bachelors, Master, Doctorates, and 1 st Professional degrees)	N/A	Provides \$2.66 million in FY2020 to increase degrees in Data Science & Technology (20), Science & Engineering (30), Healthcare (20), and Education (10) and establishes procedures to measure degree production (includes Bachelors, Master, Doctorates, and 1 st Professional degrees)
Financial Aid	Provides additional \$190,389 in FY2019 and \$978,180 in FY2020	Maintains additional funding of \$190,389 in FY2019 and \$978,180 in FY2020 proposed by Governor Allows 15% of financial aid funding to be prioritized to students seeking degrees in Data Science & Technology, Science & Engineering, Healthcare, and Teaching or students in innovative internship programs	Reduces Governor's proposed additional funding to \$95,194 in FY2019 and \$489,090 in FY2020	Reduces Governor's proposed additional funding to \$122,520 in FY2019 and \$629,489 in FY2020 Allows 15% of financial aid funding to be prioritized to students seeking degrees in Data Science & Technology, Science & Engineering, Healthcare, and Teaching or students in innovative internship programs

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Capital Outlay	<p>Provides additional \$3.95 million in each year for maintenance reserve [total allocation: \$12.9 million]</p> <p>Provides \$12.4 million in FY2019 for equipment for Gilmer Hall/Chemistry Building project</p> <p>Provides \$525,000 in FY2019 for equipment for Center for Human Therapeutics</p>	<p>Maintains additional \$3.95 million in each year for maintenance reserve proposed by Governor [total allocation: \$12.9 million]</p> <p>Maintains \$12.4 million in FY2019 for equipment for Gilmer Hall/Chemistry Building project proposed by Governor</p> <p>Maintains \$525,000 in FY2019 for equipment for Center for Human Therapeutics proposed by Governor</p>	<p>Maintains additional \$3.95 million in each year for maintenance reserve proposed by Governor [total allocation: \$12.9 million]</p> <p>Maintains \$12.4 million in FY2019 for equipment for Gilmer Hall/Chemistry Building project proposed by Governor</p> <p>Maintains \$525,000 in FY2019 for equipment for Center for Human Therapeutics proposed by Governor</p>	<p>Maintains additional \$3.95 million in each year for maintenance reserve proposed by Governor [total allocation: \$12.9 million]</p> <p>Maintains \$12.4 million in FY2019 for equipment for Gilmer Hall/Chemistry Building project proposed by Governor</p> <p>Maintains \$525,000 in FY2019 for equipment for Center for Human Therapeutics proposed by Governor</p> <p>Updates capital outlay project threshold to \$3.0 million</p>
Other Projects	<p>Provides \$100,000 in each year for VFH Dialogues for Divisive Histories program</p> <p>Provides \$175,000 in each year to the Weldon Cooper Center (WCC) for population projections (transfer from DPB)</p> <p>Provides \$115,000 in FY2019 to WCC for local update of census addresses</p>	<p>Maintains additional funding for VFH and WCC proposed by the Governor</p> <p>Provides \$1M in FY2019 and \$3M in FY2020 for Focused Ultrasound Center</p>	<p>Eliminates \$100,000 additional funding for VFH Dialogues for Divisive Histories program proposed by the Governor</p> <p>Maintains additional funding for WCC proposed by the Governor</p> <p>Directs UVA, working with Virginia Tech, VSU, and other institutions to study problems facing rural Virginia</p>	<p>Maintains \$100,000 additional funding for VFH Dialogues for Divisive Histories program proposed by the Governor in FY2020 [funding eliminated in FY2019]</p> <p>Maintains additional funding for WCC proposed by the Governor</p> <p>Provides \$1M in FY2019 for Focused Ultrasound Center</p> <p>Directs UVA, working with Virginia Tech, VSU, and other institutions to study problems facing rural Virginia</p>

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Compensation/ Retirement	Provides 2% salary increase effective December 2019 for state employees	<p>One-time 2% bonus for full-time state employees effective December 2018 contingent on GF balances and undesignated revenue surpluses equaling or exceeding \$32.8 million [excludes faculty]</p> <p>Provides 2% across-the-board and 1% merit salary increases effective July 2019 for state employees [excludes faculty from merit increase]</p> <p>Authorizes VRS to adjust the contribution rate charged for university employees in positions that transitioned from VRS defined benefit program to optional ORP to recover stranded unfunded liability costs</p>	<p>Eliminates funding for salary increase and directs Governor to include in next introduced budget, funding necessary to offset any downward revisions of revenue forecast for FY2019 and FY2020, at an amount sufficient to provide a two percent raise for state employees, state supported local employees, and teachers, effective July 2019</p> <p>Provides funding for State to absorb employee share of health insurance premium increases in both years [no direct impact since UVA is self-insured and not part of State plan]</p> <p>Directs VRS to develop and implement methodology for institutions of higher education to report personnel services expenditures for university staff positions</p>	<p>Provides 2% across-the-board and 2% merit salary increases effective June 10, 2019 for state employees [merit increase available for employees with at least 3 years of continuous service; faculty and University staff excluded from merit increase]</p> <p>Authorizes VRS to adjust the contribution rate charged for university employees in positions that transitioned from VRS defined benefit program to optional ORP to recover stranded unfunded liability costs (effective October 1, 2018)</p>
Restructuring	Restores funding for Restructuring-related incentives (interest earnings on tuition and fees and rebates on purchasing cards)	<p>Retains Governor's proposal to restore funding for Restructuring-related incentives</p> <p>Provides that State will retain \$3.4 million utility payment rebate [per HB1558] for all state agencies</p> <p>Aligns small purchase thresholds to match state agency thresholds in the VPPA</p>	Retains Governor's proposal to restore funding for Restructuring-related incentives	<p>Retains Governor's proposal to restore funding for Restructuring-related incentives</p> <p>Provides that State will retain \$3.4 million utility payment rebate [per HB1558] for all state agencies</p>

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Mandatory Fees	Changes limit on increasing mandatory non-E&G fees from 5% to 3%. [Exceptions include requirements for wage, salary, and benefit increases; actions that respond to federal mandates; increases related to capital projects; increases to support student health services; and other fee increases authorized by the General Assembly.]	Retains Governor's proposal limiting increases in mandatory non-E&G fees to 3%	Retains Governor's proposal limiting increases in mandatory non-E&G fees to 3%	Retains Governor's proposal limiting increases in mandatory non-E&G fees to 3%
Institutional Reserve Funds	Authorizes institutions to establish reserve fund supported by unexpended educational and general (E&G) appropriations to foster long-term planning and promote efficient utilization of resources.	Retains Governor's proposal authorizing institutions to establish reserve fund supported by unexpended educational and general (E&G) appropriations	Retains Governor's proposal authorizing institutions to establish reserve fund supported by unexpended educational and general (E&G) appropriations	Retains Governor's proposal authorizing institutions to establish reserve fund supported by unexpended educational and general (E&G) appropriations

Research, economic development, and commercialization

Category	Governor	House	Senate	General Assembly (final)
Virginia Research Investment Fund	Maintains \$8.0 million investment in each year	Maintains \$8.0 million investment in each year	Maintains \$8.0 million investment in each year	Maintains \$8.0 million investment in each year
GO Virginia	Provides \$26.1 million investment in each year	Provides additional \$5 million in FY2019 and \$10.0 million in FY2020 [total allocation: \$29.45 million in FY2019 and \$34.45 million in FY2020] Directs GO Virginia Board to develop guidelines for Interns for Virginia Partnership Program	Provides \$26.1 million investment in each year	Provides additional \$5 million in FY2019 and \$10.0 million in FY2020 [total allocation: \$29.45 million in FY2019 and \$34.45 million in FY2020] Directs GO Virginia Board to develop framework to facilitate grants to increase broadband access

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CyberX	N/A	Provides \$40.0 million in FY2020 for research, innovation, and commercialization of cybersecurity technologies; and to address statewide shortage of advanced and professional degrees within the cyber workforce	N/A	Provides \$20.0 million in FY2020 for research, innovation, and commercialization of cybersecurity technologies; and to address statewide shortage of advanced and professional degrees within the cyber workforce Provides \$5.0 million for lab renovations and equipment

Medical Center

Category	Governor	House	Senate	General Assembly (final)
Medicaid	Expands access to Medicaid services effective October 1, 2018 and includes estimated savings of \$420 million in base budget	Expands Medicaid effective January 1, 2019 [project enrollment of 300,000 individuals] Provides \$4.6 million in FY2019 and \$16.9 million in FY2020 to support Training, Education, Employment and Opportunity Program (TEEOP) for Medicaid enrollees [HB338] Maintains federal supplemental funding by adapting payment methodology to address transition from fee-for-service to managed care delivery system	Eliminates Medicaid expansion and hospital provider assessment Directs DMAS to review feasibility of implementing pilot program in either the appropriate fee-for-service population or managed care population that could benefit from a direct primary care model Maintains federal supplemental funding by adapting payment methodology to address transition from fee-for-service to managed care delivery system	Expands Medicaid effective January 1, 2019 [project enrollment of 300,000 individuals] and includes estimated savings of \$101.3 million in FY2019 and \$269.7 million in FY2020 in base budget Establishes and provides \$6.6 million in FY2019 and \$18.9 million in FY2020 to support the Training, Education, Employment and Opportunity Program (TEEOP) for Medicaid enrollees

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Graduate Medical Education Residency Slots			Authorizes supplemental payments for each qualifying residency slot (\$50,000 each minus any Medicare residency payments for which the residency program is eligible)	Authorizes supplemental payments for each qualifying residency slot (\$50,000 each minus any Medicare residency payments for which the residency program is eligible)
Other Health-Related Issues		Eliminates funding in FY2019 for development of electronic health records system and delays development of system by one year	<p>Eliminates funding in FY2019 for development of electronic health records system and delays development of system by one year</p> <p>Directs Joint Subcommittee for Health and Human Resources Oversight to develop recommendations to improve integration of policy development, funding, and implementation of Commonwealth's healthcare delivery system</p> <p>Imposes one-year moratorium on constructing free-standing emergency rooms to allow JCAR to study need for regulation under COPN</p> <p>Provides \$1.1 million in each year for Appalachian Telemental Health Initiative</p>	<p>Eliminates funding in FY2019 for development of electronic health records system and delays development of system by one year</p> <p>Requires DMAS to report annually on supplemental payments made to hospitals through Medicaid program</p> <p>Provides \$1.1 million in each year for Appalachian Telemental Health Initiative</p>

College at Wise

Category	Governor	House	Senate	General Assembly (final)
Base Budget	<p>Provides additional \$2,000,000 in FY2019 and \$1,750,000 in FY2020 for Academic Programs</p> <p>Provides additional \$892,880 in FY2019 and \$832,069 in FY2020 for IT Network & Security</p>	<p>Maintains additional \$2,000,000 in FY2019 and \$1,750,000 in FY2020 for Academic Programs proposed by Governor</p> <p>Maintains additional \$892,880 in FY2019 and \$832,069 in FY2020 for IT Network & Security proposed by Governor</p>	<p>Reduces Governor’s proposed additional funding for Academic Programs to \$0.5M in FY2019 [no funding in FY2020]</p> <p>Reduces Governor’s proposed additional funding for IT and Network Security to \$669,661 in FY2019 and \$624,051 in FY2020</p>	<p>Reduces Governor’s proposed additional funding for Academic Programs to \$1.5M in each year</p> <p>Maintains additional \$892,880 in FY2019 and \$832,069 in FY2020 for IT Network & Security proposed by Governor</p>
Financial Aid	<p>Provides additional \$218,252 in FY2019 and \$373,304 in FY2020</p>	<p>Maintains additional funding of \$218,252 in FY2019 and \$373,304 in FY2020 proposed by Governor</p> <p>Allows 15% of financial aid funding to be prioritized to students seeking degrees in Data Science & Technology, Science & Engineering, Healthcare, and Teaching or students in innovative internship programs</p>	<p>Reduces Governor’s proposed additional funding to \$109,126 in FY2019 and \$186,652 in FY2020</p>	<p>Reduces Governor’s proposed additional funding to \$140,452 in FY2019 and \$240,232 in FY2020</p> <p>Allows 15% of financial aid funding to be prioritized to students seeking degrees in Data Science & Technology, Science & Engineering, Healthcare, and Teaching or students in innovative internship programs</p>
Capital Outlay	<p>Provides additional \$255,863 in each year for maintenance reserve [total allocation: \$772,776]</p>	<p>Maintains additional funding of \$255,863 in each year for maintenance reserve proposed by Governor [total allocation: \$772,776]</p>	<p>Maintains additional funding of \$255,863 in each year for maintenance reserve proposed by Governor [total allocation: \$772,776]</p>	<p>Maintains additional funding of \$255,863 in each year for maintenance reserve proposed by Governor [total allocation: \$772,776]</p>

Other Related Items

Category	House	Senate	General Assembly (final)
SCHEV	<p>Provides \$500,000 in each year for Cybersecurity Student Loan Repayment Grant Program</p> <p>Provides \$600,000 in each year for open and affordable course content</p> <p>Provides \$4.0 million to increase workforce credential grant program</p>	<p>Provides \$200,000 in each year for innovative internship pilot program to be administered by SCHEV [requires matching funds from non-state source]</p> <p>Provides \$300,000 in FY2019 and \$600,000 in FY2020 for open and affordable course content</p>	<p>Provides \$500,000 in each year for Cybersecurity Student Loan Repayment Grant Program</p> <p>Provides \$600,000 in each year for open and affordable course content</p> <p>Provides \$4.0 million to increase workforce credential grant program</p> <p>Provides \$200,000 in each year for innovative internship pilot program to be administered by SCHEV [requires matching funds from non-state source]</p>
Joint Higher Education Subcommittee	<p>Directs Subcommittee to evaluate policies/processes to align institutional programs and activities with the Commonwealth's strategic economic objectives, and to identify practices by which institutions can develop public-private partnerships and recruit business organizations and other public- and private-sector partners to assist in accomplishing these objectives</p>	<p>Directs Subcommittee to evaluate ways to align public institutions and the Commonwealth's strategic objectives. Authorizes establishing process to develop, review, and implement outcome agreements between the Commonwealth and institutions; developing options for institutions to negotiate institution-specific goals, initiatives, and mutual expectations for advancing Commonwealth's objectives; and modifying current 6-year plan process and formally approve pilots in 2018</p> <p>Directs SFC and HAC staff to work with SCHEV, VEDP, and higher education to develop statewide higher education financing plan (to be included in final report/recommendations)</p>	

Category	House	Senate	General Assembly (final)
Joint Legislative Audit and Review Committee			<p>Directs JLARC to review Virginia529's proposed weighted average tuition (WAT) payout model</p> <p>Provides funding to JLARC to establish ongoing healthcare program oversight unit</p>
Other Higher Education-Related	<p>Requires public comment period before Board of Visitors votes on tuition and fees increases</p> <p>Provides \$100,000 in each year for the Virginia Natural Resources Leadership Institute (VNRLI)</p> <p>Provides \$1.0 million in each year for the Virginia Online Network Authority (inclusion of VCCS)</p>		<p>Provides \$100,000 in each year for the Virginia Natural Resources Leadership Institute (VNRLI)</p> <p>Provides \$1.0 million in each year for the Virginia Online Network Authority (inclusion of VCCS)</p> <p>Directs DSS to implement pilot program in cooperation with CASTL to improve early childhood classrooms in faith-based and private child day care centers</p>