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## COMMONWEALTH OF VIRGINIA

### *Compensation Board*

P.O. Box 710  
Richmond, Virginia 23218-0710

March 10, 2016

#### **MEMORANDUM**

**TO:** Compensation Board Members  
**FROM:** Robyn M. de Socio, Executive Secretary  
**RE:** Conferees Report

Following is the summary of funding and language amendments recommended by the House Appropriations Committee and Senate Finance Committee Budget Conferees to the biennial budget funding proposals in HB29 and HB30 impacting Constitutional Officers and the Compensation Board. Also included is a summary of items proposed in the Governor's Budget Bill as introduced that remain unchanged.

#### FY16 Caboose Bill (HB29)

##### Jails

Budget Bill proposals, unchanged in Conference:

- Recommended jail inmate per diem funding of \$11.3 million is included for FY16, which represents the amount requested based upon revised growth percentages approved by the Inmate Population Forecasting Committee for local and state responsible inmates.

##### Commonwealth's Attorneys and Treasurers

- Language has again been amended allowing the six Treasurers currently contracting with their Commonwealth's Attorney on a contingency fee basis for the collections of delinquent court fines and costs since before January 1, 2015 to continue to collect on a contingency fee basis and requires that any collection commissions received by the Treasurers in excess of their collection costs be split on a 50-50 basis between the Commonwealth and the locality, consistent with the policy for Commonwealth's Attorneys performing collections in-house. Any Treasurers not contracting on a contingency fee basis as of January 1, 2015 may contract and be compensated only administrative cost pursuant to § 58.1-3958, Code of Virginia.

FY17/18 Budget Bill (HB30)

All Constitutional Officers

- Language and funding have been included to support a 2% across-the-board salary increase effective December 1, 2016 for all Constitutional Officers, Regional Jails and Directors of Finance, and their employees, contingent upon FY16 year-end revenue meeting or exceeding the threshold for a revenue re-forecast pursuant to §2.2-1503.3, Code of Virginia.

Budget Bill proposals, unchanged in Conference:

- Base adjustment funding of \$958,771 in each year is provided as a technical item to continue to support the increased cost of retiree health insurance credit contributions for constitutional officers and their employees, payable by the Compensation Board. The partial contribution amount of \$805,450 that is currently recovered from locality reimbursements is anticipated to remain unchanged.

Sheriffs and Regional Jails

- Additional funding of \$3.6 million in the first year and \$8.7 million in the second year is provided to address salary compression in Sheriffs' offices and Regional Jails through salary increases effective January 1, 2017, contingent upon FY16 year-end revenue meeting or exceeding the threshold for a revenue re-forecast pursuant to §2.2-1503.3, Code of Virginia; assuming revenue contingencies are met, sworn deputies and Regional Jail officers with three or more years of continuous service will receive \$80 for each full year of service, up to a maximum of thirty years. Non-sworn employees who have a minimum of three years of continuous service will receive \$65 for each full year of service, up to a maximum of thirty years;
- Additional funding of \$939,021 in FY17 and \$1,878,042 in FY18 is included to allow additional participation in the Sheriffs' and Regional Jails' Master Deputy/Jail Officer Programs beginning December 1, 2016, contingent upon FY16 year-end revenue meeting or exceeding the threshold for a revenue re-forecast pursuant to §2.2-1503.3, Code of Virginia;
- Additional funding of \$14,276 in FY17 and \$28,552 in FY18 is included to allow additional participation in the Sheriffs' Career Development Program beginning December 1, 2016, contingent upon FY16 year-end revenue meeting or exceeding the threshold for a revenue re-forecast pursuant to §2.2-1503.3, Code of Virginia;
- Additional funding of \$60,270 is included in both years to cover the cost of an approximate 10% increase in the contracted cost to support the SAVIN victim notification system in local and regional jails.

Budget Bill proposals, unchanged in Conference:

- Additional \$2.0 million in the first year and \$2.2 million in the second year in funding and positions is provided to support jail expansion projects in the Central Virginia Regional Jail (opening August 1, 2016) and Pamunkey Regional Jail (opening July 1, 2016);

- Language approved by the 2015 General Assembly that provided that the Compensation Board is authorized to withhold reimbursements due the locality for sheriff and jail expenses upon notification from the Superintendent of State Police that the sheriff's office of that locality is not complying with the requirements of transmittal of information to the Sex Offender and Crimes Against Minors Registry has been revised to authorize that funds instead be withheld if sheriffs fail to self-certify their compliance with transmittal requirements and eliminates the oversight/notification by the Superintendent of State Police.

#### Jails

- Additional funding of \$10.4 million in FY17 and \$11.1 million in FY18 is provided for jail inmate per diem payments, based upon projected growth percentages provided by the Inmate Population Forecasting Committee, for local and state responsible inmates;
- Additional funding of \$100,000 in FY17 and FY18 is provided to reimburse Nottoway County for incurred costs of confinement of residents of the Virginia Center for Behavioral Rehabilitation arrested for new offenses and housed in Piedmont Regional Jail.

#### Commonwealth's Attorneys

- Additional funding of \$283,250 in FY17 and \$566,501 in FY18 is included to allow additional participation in the Assistant Commonwealth's Attorneys' Career Prosecutor Program beginning December 1, 2016, contingent upon FY16 year-end revenue meeting or exceeding the threshold for a revenue re-forecast pursuant to §2.2-1503.3, Code of Virginia;
- Additional funding of \$95,332 in FY17 and \$92,169 in FY18 has been included in the Conference Report to convert the part-time Commonwealth's Attorney's office in Surry County to full-time status effective July 1, 2016;
- Language has again been amended allowing the six Treasurers currently contracting with their Commonwealth's Attorney on a contingency fee basis for the collections of delinquent court fines and costs since before January 1, 2015 to continue to collect on a contingency fee basis and requires that any collection commissions received by the Treasurers in excess of their collection costs be split on a 50-50 basis between the Commonwealth and the locality, consistent with the policy for Commonwealth's Attorneys performing collections in-house. Any Treasurers not contracting on a contingency fee basis as of January 1, 2015 may contract and be compensated only administrative cost pursuant to § 58.1-3958, Code of Virginia.

#### Circuit Court Clerks

- Funding of \$155,646 in FY17 and \$311,292 in FY18 is included to support qualified participation in the Circuit Court Clerks' Career Development Program beginning December 1, 2016, contingent upon FY16 year-end revenue meeting or exceeding the threshold for a revenue re-forecast pursuant to §2.2-1503.3, Code of Virginia;
- Funding of \$153,763 in FY17 and \$307,525 in FY18 is included to support qualified participation in the Circuit Court Clerks' Deputy Career Development Program beginning December 1, 2016, contingent upon FY16 year-end revenue meeting or exceeding the threshold for a revenue re-forecast pursuant to §2.2-1503.3, Code of Virginia.

Budget Bill proposals, unchanged in Conference:

- Additional funding of \$1 million in general funds is included to reduce the amount of non-general Technology Trust Funds that is presently used to offset prior reductions to Clerks' operating budgets. Language currently allows for up to \$3.79 million in non-general technology trust funds to be used to offset these funding reductions in each year. Revised language will allow a transfer of up to \$2.79 million in each year (in practical terms, only \$2.79 million is currently used for this offset, and this appropriation will allow for only \$1.79 million to be used for the offset).

Treasurers

- Additional funding of \$46,572 in FY17 and \$93,144 in FY18 is included to support qualified and unfunded participation in the Treasurers' Career Development Program beginning December 1, 2016, contingent upon FY16 year-end revenue meeting or exceeding the threshold for a revenue re-forecast pursuant to §2.2-1503.3, Code of Virginia;
- Additional funding of \$19,584 in FY17 and \$39,169 in FY18 is included to support qualified and unfunded participation in the Deputy Treasurers' Career Development Program beginning December 1, 2016, contingent upon FY16 year-end revenue meeting or exceeding the threshold for a revenue re-forecast pursuant to §2.2-1503.3, Code of Virginia;
- As noted under Commonwealth's Attorneys, language has again been amended allowing the six Treasurers currently contracting with their Commonwealth's Attorney on a contingency fee basis for the collections of delinquent court fines and costs since before January 1, 2015 to continue to collect on a contingency fee basis and requires that any collection commissions received by the Treasurers in excess of their collection costs be split on a 50-50 basis between the Commonwealth and the locality, consistent with the policy for Commonwealth's Attorneys performing collections in-house. Any Treasurers not contracting on a contingency fee basis as of January 1, 2015 may contract and be compensated only administrative cost pursuant to § 58.1-3958, Code of Virginia.

Finance Directors

- No program specific changes were included in the Governor's Budget Bill or Conference Report.

Commissioners of Revenue

- Additional funding of \$56,390 in FY17 and \$112,780 in FY18 is included to support qualified and unfunded participation in the Commissioners' Career Development Program beginning December 1, 2016, contingent upon FY16 year-end revenue meeting or exceeding the threshold for a revenue re-forecast pursuant to §2.2-1503.3, Code of Virginia;
- Additional funding of \$62,417 in FY17 and \$124,835 in FY18 is included to support qualified and unfunded participation in the Deputy Commissioners' Career Development Program beginning December 1, 2016, contingent upon FY16 year-end revenue meeting or exceeding the threshold for a revenue re-forecast pursuant to §2.2-1503.3, Code of Virginia;

- Additional funding of \$57,400 and additional positions in the position count has been approved in both years to support 5 additional Deputy Commissioner of the Revenue positions in Commissioners' offices in accordance with staffing standards.

#### Administration

- Language was approved directing the Compensation Board to convene a stakeholder group comprised of constitutional officers, regional jails and localities to review Liability Insurance, Medical Malpractice and Employee Malfeasance Programs for Constitutional Officers, including the current VARISK liability program offering through the Division of Risk Management, and other program offerings potentially available from other public and private providers of these coverages, and report findings regarding available alternatives and financial benefits and liabilities for localities and the Commonwealth to the House Appropriations and Senate Finance Committees by December 1, 2016;
- Additional funding of \$131,505 is included in each year to correct a technology payment rate error that reduced base funding from agency appropriations.

#### Budget Bill proposals, unchanged in Conference:

- Language is included directing the Compensation Board to withhold \$80,000 from amounts recovered from localities for the costs of the VARISK liability premiums for sheriffs and regional jails to fund the cost of training on managing risk in jails.

#### Other Agencies

- Contingent upon FY16 year-end revenue meeting or exceeding the threshold for a revenue re-forecast pursuant to §2.2-1503.3, Code of Virginia, language and funding are provided to support a 3% across-the-board salary increase effective November 10, 2016 for all full-time state employees of the Executive Department;
- Additional funding of \$1 million in FY17 and \$2.5 million in FY18 is provided to the Department of Criminal Justice Services (DCJS) to solicit proposals from local or regional jails to establish pilot programs to provide services to mentally ill inmates, or to provide pre-incarceration crisis intervention services to prevent mentally ill offenders from entering jails. Proposals are to be evaluated and up to six pilot sites recommended for funding for programs beginning January 1, 2017;
- Budget language is added including the Compensation Board and other agencies in a work group to be convened by the Secretary of Health and Human Resources to examine current ways to improve the cost effectiveness of purchasing high cost medications in order to improve the care and treatment of individuals served by these agencies.

#### Budget Bill proposals, unchanged in Conference:

- Budget language is added to direct the Division of Risk Management to require their actuary to incorporate such factors as claims information by specific office, staffing in all offices and average daily inmate populations in jails into their determinations of premium costs under the VARISK liability program, and the Division of Risk Management is to report to the Compensation Board individual office premium amounts for the program.

As you know, these amendments are subject to approval by the House and Senate over the next couple of days, and will then be referred to the Governor. They are further subject to review or change when reconsidered in conjunction with any recommendations and/or amendments by the Governor at the reconvened "veto" session of the General Assembly on April 20, 2016. Please contact Charlotte Lee or me if you have any questions.

cc: Compensation Board Staff  
The Honorable Nancy Rodrigues, Secretary of Administration  
The Honorable Richard A. Vaughan, President, Virginia Sheriffs' Association  
Superintendent Timothy Doss, President, Virginia Association of Regional Jails  
The Honorable La Bravia J. Jenkins, President, Virginia Association of Commonwealth's Attorneys  
The Honorable L. Todd Garber, President, Treasurers' Association of Virginia  
The Honorable Franklin D. Edmondson, President, Commissioners of the Revenue Association of Virginia  
The Honorable Chaz W. Haywood, President, Virginia Circuit Court Clerks' Association  
The Honorable Nate Green, President, Virginia Association of Local Elected Constitutional Officers  
Kimberly A. Winn, Executive Director, Virginia Municipal League  
James D. Campbell, Executive Director, Virginia Association of Counties  
John Jones, Executive Director, Virginia Sheriffs' Association  
Jane Chambers, Director, Commonwealths' Attorneys' Services Council  
Alan Albert, LeClair Ryan  
Chip Dicks, FutureLaw, L.L.C.  
Ron Jordan, Advantus Strategies  
Madeline Abbitt, Abbitt Consulting Inc  
Michael Edwards, Kemper Consulting  
Dean Lynch, Virginia Association of Counties  
Janet Areson, Virginia Municipal League  
Nicole Storm, Analyst, Department of Planning and Budget