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## HOUSE BILL NO. 1213

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Agriculture, Chesapeake and Natural Resources  
on January 27, 2010)

(Patron Prior to Substitute—Delegate Kory)

A BILL to amend and reenact §§ 10.1-2208 and 10.1-2213 of the Code of Virginia, relating to the Department of Historic Resources; historic preservation grants.

Be it enacted by the General Assembly of Virginia:

1. That §§ 10.1-2208 and 10.1-2213 of the Code of Virginia are amended and reenacted as follows:

§ 10.1-2208. Supervision of expenditure of appropriations made to localities and private organizations.

The Director shall oversee the expenditure of state appropriations made available to ~~nonstate agencies, whether private or municipal organizations, whether localities or private entities~~, for purposes related to the historical collections, historic landmarks, and historic sites of Virginia, to assure that such purposes are consistent with the statewide plan for historic preservation as established by the Director. The Director shall establish and require adherence to sound professional standards of historical, architectural and archaeological research in the planning, preservation, restoration, interpretation and display of such collections, landmarks, and sites.

§ 10.1-2213. Procedure for appropriation of state funds for historic preservation.

A. No state funds, other than for the maintenance and operation of those facilities specified in § 10.1-2211 or 10.1-2212 and for the purchase of property for preservation of historical resources by the Virginia Land Conservation Foundation as provided in Chapter 10.2 (§ 10.1-1017 et seq.) of this title, shall be appropriated or expended for or to ~~historical societies, museums, foundations, associations, or local governments organizations, whether localities or private entities~~, as set forth in the general appropriations act for: (i) the maintenance of collections and exhibits ~~or for~~; (ii) the maintenance, operation, and interpretation of *historic* sites and facilities owned or operated by ~~historical~~ such organizations; or (iii) operational and educational activities pursuant to subsection C unless:

1. A request and completed application for state aid is filed by the organization with the Department, on forms prescribed by the Department, on or before ~~July~~ *October* 1 prior to each regular session of the General Assembly in an even-numbered year. Requests shall be considered by the Governor and the General Assembly only in even-numbered years. The Department shall review each application made by an organization for state aid prior to consideration by the General Assembly. The Department shall provide a timely review of any amendments proposed by members of the General Assembly to the chairmen of the House Appropriations and Senate Finance Committees. The review shall examine the merits of each request, including data showing the percentage of ~~nonstate federal, local, or private~~ funds raised by the organization for the proposed project. The review and analysis provided by the Department shall be strictly advisory. The Department shall forward to the Department of Planning and Budget any application that is not for the maintenance of collections and exhibits or for the maintenance, operation, and interpretation of *historic* sites and facilities ~~owned by historical organizations~~. Such applications shall be governed by the procedures identified in § 2.2-1505.

2. ~~Such~~ Any such private organization shall certify to the satisfaction of the Department that matching funds from *federal, local, or private* sources are available in an amount at least equal to the amount of the request in cash or in kind contributions which are deemed acceptable to the Department. These matching funds must be concurrent with the project for which the state grant is requested. Contributions received and spent prior to the state grant shall not be considered in satisfying the requirements of this subdivision.

3. ~~Such~~ Any such private organization shall provide documentation of its tax exempt status under § 501(c)(3) of the United States Internal Revenue Code.

4. Such organization shall certify that the applicant has read and acknowledged all information and requirements regarding how the grants will be administered and how funds will be disbursed.

5. Such organization shall state in its application the purpose of the grant. The grant recipient must justify and request in writing approval by the Department for changes in the scope of the project prior to implementing those changes. If grant funds are used for something other than the purpose for which they were requested without prior review and approval by the Department, then all state funds must be returned.

6. Such organization shall submit documentation on match funding and approved expenditures shall be submitted with all requests for disbursement.

7. Such organization shall provide progress reports as prescribed by the Department. At a minimum such reports shall be submitted with reimbursement requests and a final report at the conclusion of the

60 project.

61 8. Such organization receiving the state grant shall comply with applicable state procurement  
62 requirements pursuant to the Virginia Public Procurement Act (§ 2.2-4300 et seq.).

63 9. In the case of new construction or ground disturbing activities funded by *state* grants, the  
64 organization shall afford the Department an opportunity to review the potential impact on any historic  
65 resources. Such review shall be provided by the Department within 15 days of receipt of completed  
66 information.

67 10. For all *state* grants for capital projects, whether for new construction, rehabilitation, ~~or~~  
68 restoration, *or reconstruction*, funds shall be disbursed only as reimbursement for approved activities.

69 For the purposes of this section, no grant shall be approved for private institutions of higher  
70 education or religious organizations.

71 B. In addition to the requirements of subsection A of this section, no state funds other than for those  
72 facilities specified in § 10.1-2211 or 10.1-2212 shall be appropriated or expended for the ~~renovation~~  
73 *rehabilitation, restoration, or reconstruction* of any historic site as ~~set forth in § 2.2-1505~~ unless:

74 1. The property is designated as a historic landmark by the Board and is located on the register  
75 prepared by the Department pursuant to § 10.1-2202 or has been declared eligible by the Board for such  
76 designation but has not actually been placed on the register of buildings and sites provided for in  
77 § 10.1-2202;

78 2. The ~~society, museum, foundation, or association~~ *organization* owning such property ~~enters and any~~  
79 *organization managing such property, if different from the owner, enter* into an agreement with the  
80 Department that the property will be open to the public for at least 100 days per year for no less than  
81 five years following completion; ~~renovation, or reconstruction of the project for which state funds are~~  
82 *received*;

83 3. The organization ~~submits~~ *owning the property and any organization managing the project, if*  
84 *different from the owner, submit* the plans and specifications of the project to the Department for review  
85 and approval to ensure that the project meets generally accepted standards for historic preservation; and

86 4. The organization owning the property grants to the Commonwealth a perpetual easement placing  
87 restrictions on ~~the use alterations to~~, or development of, the property satisfactory to the Board, if the  
88 organization has received \$50,000 or more within a four-year period pursuant to this section. The  
89 easement shall be for the purpose of preserving those features of the property which led to its  
90 designation as a historic landmark.

91 Nothing contained in this subsection shall prohibit any organization from charging a reasonable  
92 admission fee during the five-year period required in subdivision 2 herein if the fee is comparable to  
93 fees charged at similar facilities in the area.

94 C. The Department shall be responsible for the administration of this section and §§ 10.1-2211 and  
95 10.1-2212 and the disbursement of all funds appropriated thereto.

96 State funds appropriated for the operation of historical societies, museums, foundations ~~and~~,  
97 associations, *or other such organizations* shall be expended for historical facilities, reenactments,  
98 meetings, conferences, tours, seminars, or other general operating expenses as may be specified in the  
99 general appropriations act. Funds appropriated for these purposes shall be distributed annually to the  
100 treasurers of any such organizations. The appropriations act shall clearly designate that all such funds  
101 are to be used for the operating expenses of such organization.