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HOUSE BILL NO. 723

Offered January 13, 2016

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A *BILL to amend and reenact §§ 33.2-1904, 33.2-1907, 33.2-1915, 33.2-2500, 46.2-753, 58.1-3, as it is currently effective and as it shall become effective, 58.1-638, and 58.1-2294 of the Code of Virginia, relating to Northern Virginia Transportation Commission; transfer of powers and duties to Northern Virginia Transportation Authority.*

Patron—LeMunyon

Referred to Committee on Transportation

Be it enacted by the General Assembly of Virginia:

1. That §§ 33.2-1904, 33.2-1907, 33.2-1915, 33.2-2500, 46.2-753, 58.1-3, as it is currently effective and as it shall become effective, 58.1-638, and 58.1-2294 of the Code of Virginia are amended and reenacted as follows:

§ 33.2-1904. Northern Virginia Transportation District and Commission.

A. There is hereby created the Northern Virginia Transportation District (the District), comprising the Counties of Arlington, Fairfax, and Loudoun; the Cities of Alexandria, Falls Church, and Fairfax; and such other county or city contiguous to the District that agrees to join the District.

B. There is hereby established the *The Northern Virginia Transportation Commission* (the Commission) as a transportation commission pursuant to this chapter. The Commission shall consist of five nonlegislative citizen members from Fairfax County, three nonlegislative citizen members from Arlington County, one nonlegislative citizen member from Loudoun County, two nonlegislative citizen members from the City of Alexandria, one nonlegislative member from the City of Falls Church, one nonlegislative citizen member from the City of Fairfax, and the Chairman of the Commonwealth Transportation Board or his designee to serve ex officio with voting privileges. If a county or city contiguous to the District agrees to join the District, such locality shall appoint one nonlegislative citizen member to the Commission. Members from the counties and cities shall be appointed from their respective governing bodies. The Commission shall also include four members of the House of Delegates appointed by the Speaker of the House of Delegates for terms coincident with their terms of office and two members of the Senate appointed by the Senate Committee on Rules for terms coincident with their terms of office. Members may be reappointed for successive terms. All members shall be citizens of the Commonwealth. Except for the Chairman of the Commonwealth Transportation Board or his designee, all members of the Commission shall be residents of the localities composing the District. Vacancies occurring other than by expiration of a term shall be filled for the unexpired term. Vacancies shall be filled in the same manner as the original appointments Authority, established pursuant to Chapter 25 (§ 33.2-2500 et seq.), shall serve as the transportation commission for the Northern Virginia Transportation District pursuant to this chapter. Effective July 1, 2016, all duties and responsibilities and all property and interests previously vested in or assigned to the former Northern Virginia Transportation Commission shall be transferred to and vest in the Northern Virginia Transportation Authority.

§ 33.2-1907. Members of transportation district commissions.

A. Any transportation district commission created pursuant to this chapter shall consist of the number of members the component governments shall agree upon, or as may otherwise be provided by law. The governing body of each participating county and city shall appoint from among its members the number of commissioners to which the county or city is entitled; however, for those commissions with powers as set forth in subsection A of § 33.2-1915, the governing body of each participating county or city is not limited to appointing commissioners from among its members. In addition, the governing body may appoint, from its number or otherwise, designated alternate members for those appointed to the commission who shall be able to exercise all of the powers and duties of a commission member when the regular member is absent from commission meetings. Each such appointee shall serve at the pleasure of the appointing body; however, no appointee to a commission with powers as set forth in subsection B of § 33.2-1915 may continue to serve when he is no longer a member of the appointing body. Each governing body shall inform the commission of its appointments to and removals from the commission by delivering to the commission a certified copy of the resolution making the appointment or causing the removal.

The Chairman of the Commonwealth Transportation Board, or his designee, shall be a member of each commission, ex officio with voting privileges. The Chairman of the Commonwealth Transportation

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59 Board may appoint an alternate member who may exercise all the powers and duties of the Chairman of
60 the Commonwealth Transportation Board when neither the Chairman of the Commonwealth
61 Transportation Board nor his designee is present at a commission meeting.

62 The Potomac and Rappahannock Transportation Commission shall also include two members of the
63 House of Delegates and one member of the Senate from legislative districts located wholly or in part
64 within the boundaries of the transportation district. The members of the House of Delegates shall be
65 appointed by the Speaker of the House for terms coincident with their terms of office, and the member
66 of the Senate shall be appointed by the Senate Committee on Rules for a term coincident with his term
67 of office. The members of the General Assembly shall be eligible for reappointment for successive
68 terms. Vacancies occurring other than by expiration of a term shall be filled for the unexpired term.
69 Vacancies shall be filled in the same manner as the original appointments.

70 The Transportation District Commission of Hampton Roads shall consist of one nonlegislative citizen
71 member appointed by the Governor from each county and city embraced by the transportation district.
72 However, for the gubernatorial appointments that will become effective July 1, 2016, three of the
73 appointments shall be for initial terms of two years and three appointments shall be for terms of four
74 years. Thereafter, all gubernatorial appointments shall be for terms of four years so as to stagger the
75 terms of the gubernatorial appointees. The governing body of each such county or city may appoint
76 either a member of its governing body or its county or city manager to serve as an ex officio member
77 with voting privileges. Every such ex officio member shall be allowed to attend all meetings of the
78 commission that other members may be required to attend. Vacancies shall be filled in the same manner
79 as the original appointments.

80 B. Any appointed member of the Northern Virginia Transportation ~~Commission~~ Authority and the
81 Secretary or his designee is authorized to serve as a member of the board of directors of the Washington
82 Metropolitan Area Transit Authority (§ 33.2-3100 et seq.) and while so serving the provisions of
83 § 2.2-2800 shall not apply to such member. In appointing Virginia members of the board of directors of
84 the Washington Metropolitan Area Transit Authority (WMATA), the Northern Virginia Transportation
85 ~~Commission~~ Authority shall include the Secretary or his designee as a principal member on the board of
86 directors of WMATA. Any designee serving as the principal member must reside in a locality served by
87 WMATA. *No member representing a locality that is not served by WMATA shall have a vote on*
88 *matters related to WMATA.*

89 In selecting from its membership those members to serve on the board of directors of WMATA, the
90 Northern Virginia Transportation ~~Commission~~ Authority shall comply with the following requirements:

91 1. A board member shall not have been an employee of WMATA within one year of appointment to
92 serve on the board of directors.

93 2. A board member shall have (i) experience in at least one of the fields of transit planning,
94 transportation planning, or land use planning; transit or transportation management or other public sector
95 management; engineering; finance; public safety; homeland security; human resources; or the law or (ii)
96 knowledge of the region's transportation issues derived from working on regional transportation issue
97 resolution.

98 3. A board member shall be a regular patron of the services provided by WMATA.

99 4. Board members shall serve a term of four years with a maximum of two consecutive terms. A
100 board member's term or terms must coincide with his term on the body that appointed him to the
101 Northern Virginia Transportation ~~Commission~~ Authority. Any vacancy created if a board member cannot
102 fulfill his term because his term on the appointing body has ended shall be filled for the unexpired term
103 in the same manner as the member being replaced was appointed within 60 days of the vacancy. The
104 initial appointments to a four-year term will be as follows: the Secretary, or his designee, for a term of
105 four years; the second principal member for a term of three years; one alternate for a term of two years;
106 and the remaining alternate for a term of one year. Thereafter, board members shall be appointed for
107 terms of four years. Service on the WMATA board of directors prior to July 1, 2012, shall not be
108 considered in determining length of service. Any person appointed to an initial one-year or two-year
109 term, or appointed to an unexpired term in which two years or less is remaining, shall be eligible to
110 serve two consecutive four-year terms after serving the initial or unexpired term.

111 5. Members may be removed from the board of directors of WMATA if they attend fewer than
112 three-fourths of the meetings in a calendar year; if they are conflicted due to employment at WMATA;
113 or if they are found to be in violation of the State and Local Government Conflict of Interests Act (§
114 2.2-3100 et seq.). If a board member is removed during a term, the vacancy shall be filled pursuant to
115 the provisions of subdivision 4.

116 6. Each member of the Northern Virginia Transportation ~~Commission~~ Authority appointed to the
117 board of directors of WMATA shall file semiannual reports with the Secretary's office beginning July 1,
118 2012. The reports shall include (i) the dates of attendance at WMATA board meetings, (ii) any reasons
119 for not attending a specific meeting, and (iii) dates and attendance at other WMATA-related public
120 events.

7. *The Northern Virginia Transportation Authority shall regularly and routinely oversee and monitor the WMATA capital and operating budgets, shall conduct an annual review of the WMATA capital and operating budgets prior to December 1 of each year, and shall thereafter present and publish its review and pertinent communications to the Secretary of Transportation and to the Chairmen of the House and Senate Committees on Transportation.*

Any entity that provides compensation to a WMATA board member for his service on the WMATA board shall be required to submit on July 1 of each year to the Secretary the amount of that compensation. Such letter will remain on file with the Secretary's office and be available for public review.

~~C. When the~~ *The agreement between the former Northern Virginia Transportation Commission and the Potomac and Rappahannock Transportation Commission enter into an agreement to operate a commuter railway, the agreement governing the creation of the railway concerning and governing the Virginia Railway Express shall provide that the Chairman of the Commonwealth Transportation Board or his designee shall have one vote on the oversight board for the railway. For each year in which the state contribution to the railway is greater than or equal to the highest contribution from an individual locality, the total annual subsidy as provided by the member localities used to determine vote weights shall be recalculated to include the Commonwealth contributing an amount equal to the highest contributing locality. The vote weights shall be recalculated to provide the Chairman of the Commonwealth Transportation Board or his designee the same weight as the highest contributing locality. The revised vote weights shall be used in determining the passage of motions before the oversight board. No member representing a locality that is not served by the Virginia Railway Express shall have a vote on matters related to the Virginia Railway Express.*

§ 33.2-1915. Powers and functions generally.

A. Notwithstanding any other contrary provision of law, a commission shall, except as provided in subsection B, have the following powers and functions:

1. The commission shall prepare the transportation plan for the transportation district and shall revise and amend the plan in accordance with the planning process and procedures specified in Article 7 (§ 33.2-1928 et seq.).

2. The commission may, when a transportation plan is adopted according to Article 7 (§ 33.2-1928 et seq.), construct or acquire, by purchase or lease, the transportation facilities specified in such transportation plan.

3. The commission may enter into agreements or leases with private companies for the operation of its facilities or may operate such facilities itself.

4. The commission may enter into contracts or agreements with the counties and cities within the transportation district, with counties and cities that adjoin the transportation district and are within the same planning district, or with other commissions of adjoining transportation districts to provide, or cause to be provided, transit facilities and service to such counties and cities or to provide transit facilities and other modes of transportation between adjoining transportation districts. Such contracts or agreements, together with any agreements or leases for the operation of such facilities, may be utilized by the transportation district to finance the construction and operation of transportation facilities, and such contracts, agreements, or leases shall inure to the benefit of any creditor of the transportation district.

However, except in any transportation district containing any or all of the Counties of Chesterfield, Hanover, and Henrico or the City of Richmond, being so delegated by the respective local governments, the commission shall not have the power to regulate services provided by taxicabs, either within municipalities or across municipal boundaries, which regulation is expressly reserved to the municipalities within which taxicabs operate. In any transportation district containing any or all of the Counties of Chesterfield, Hanover, and Henrico or the City of Richmond, the commission may, upon proper authority granted by the respective component governments, regulate services provided by taxicabs, either within localities or across county or city boundaries.

~~B. The~~ *In addition to its statutory powers and obligations under Chapter 25 (§ 33.2-2500 et seq.), the Northern Virginia Transportation Commission Authority:*

1. ~~Shall not prepare a transportation plan or construct or operate transit facilities, but shall~~ collaborate and cooperate in the manner specified in Article 7 (§ 33.2-1928 et seq.) with an agency in preparing, revising, and amending a transportation plan for such metropolitan area.

2. Shall, according to Article 7 (§ 33.2-1928 et seq.) and in cooperation with the governing bodies of the component governments embraced by the transportation district, formulate the tentative policy and decisions of the transportation district with respect to the planning, design, location, construction, operation, and financing of transportation facilities.

3. May, when a transportation plan applicable to such a transportation district is adopted, enter into contracts or agreements with an agency to contribute to the capital required for the construction or

182 acquisition of transportation facilities and for meeting expenses and obligations in the operations of such
183 facilities.

184 4. May, when a transportation plan applicable to such transportation district is adopted, enter into
185 contracts or agreements with the counties and cities within the transportation district to provide or cause
186 to be provided transportation facilities and service to such counties and cities.

187 5. Notwithstanding any other provision in this section to the contrary:

188 a. May acquire land or any interest therein by purchase, lease, gift, condemnation, or otherwise and
189 provide transportation facilities thereon for use in connection with any transportation service;

190 b. May acquire land or any interest therein by purchase, lease, gift, condemnation, or otherwise in
191 advance of need for sale or contribution to an agency, for use by that agency in connection with an
192 adopted mass transit plan;

193 c. May, in accordance with the terms of any grant from or loan by the United States of America or
194 the Commonwealth, or any agency or instrumentality thereof, or when necessary to preserve essential
195 transportation service, acquire transit facilities or any carrier that is subject to the jurisdiction of the
196 Washington Metropolitan Area Transit Commission by acquisition of the capital stock or transit facilities
197 and other assets of any such carrier and shall provide for the performance of transportation by any such
198 carrier or with such transit facilities by contract or lease. However, the contract or lease shall be for a
199 term of no more than one year, renewable for additional terms of similar duration, and, in order to
200 assure acceptable fare levels, may provide for financial assistance by purchase of service, operating
201 subsidies, or otherwise. No such service shall be rendered that will adversely affect transit service
202 rendered by the transit facilities owned or controlled by the agency or any existing private transit or
203 transportation company. When notified by the agency that it is authorized to perform or cause to be
204 performed transportation services with motor vehicle facilities, the commission, upon request by the
205 agency, shall transfer such capital stock or transit facilities to the agency at a price to be agreed upon;
206 and

207 d. May prepare a plan for mass transportation services with cities, counties, agencies, authorities, or
208 commissions and may further contract with transportation companies, cities, counties, commissions,
209 authorities, agencies, and departments of the Commonwealth and appropriate agencies of the federal
210 government or governments contiguous to the Commonwealth to provide necessary facilities, equipment,
211 operations and maintenance, access, and insurance pursuant to such plan.

212 C. The provisions of subdivisions B 1 through 4 and subdivisions B 5 b and c shall not apply (i) to
213 any transportation district that may be established on or after July 1, 1986, and that includes any one or
214 more localities that are located within a metropolitan area, but that were not, on January 1, 1986,
215 members of any other transportation district or (ii) to any locality that, after July 1, 1989, joins a
216 transportation district that was established on or before January 1, 1986. The provisions of this
217 subsection shall apply only to any transportation district or locality that is contiguous to the Northern
218 Virginia Transportation District. Any such district or locality shall be subject to the provisions of
219 subsection A and further may exercise the powers granted by subdivision B 5 a to acquire land or any
220 interest therein by purchase, lease, gift, condemnation, or otherwise and provide transportation facilities
221 thereon for use in connection with any transportation service.

222 D. Until such time as a commission enters into contracts or agreements with its component
223 governments under the provisions of subdivisions A 4 and B 4 and is receiving revenues thereunder
224 adequate to meet the administrative expenses of the commission after paying or providing for the
225 payment of the obligations arising under said subdivisions, the administrative expenses of the
226 commission shall be borne by the component governments in the manner set forth in this section. The
227 commission annually shall submit to the governing bodies of the component counties and cities a budget
228 of its administrative requirements for the next year.

229 E. The administrative expenses of the Northern Virginia Transportation ~~Commission~~ Authority, to the
230 extent funds for such expenses are not provided from other sources, shall be allocated among the
231 component governments on the basis of population as reflected by the latest population statistics of the
232 U.S. Census Bureau; however, upon the request of any component government, the ~~commission~~
233 Authority shall make the allocation upon estimates of population prepared in a manner approved by the
234 ~~commission~~ Authority and by the governing body of the component government making such request.
235 The administrative expenses of the Northern Virginia Transportation ~~Commission~~ Authority, to the extent
236 funds for such expenses are not provided from other sources, shall be allocated among the component
237 governments on the basis of the relative shares of state and federal transit aids allocated by the
238 ~~Commission~~ Authority among its component governments. Such budget shall be limited solely to the
239 administrative expenses of the ~~Commission~~ Authority and shall not include any funds for construction or
240 acquisition of transportation facilities or the performing of transportation service. In addition, the
241 Northern Virginia Transportation ~~Commission~~ Authority annually shall submit to the governing bodies of
242 the component counties and cities a budget of its other expenses and obligations for the ensuing year.
243 Such expenses and obligations shall be borne by the component counties and cities in accordance with

prior arrangements made therefor.

F. When a transportation plan has been adopted under subdivision 4 of § 33.2-1929, the commission shall determine the equitable allocation among the component governments of the costs incurred by the district in providing the transportation facilities proposed in the transportation plan and any expenses and obligations from the operation thereof to be borne by each county and city. In making such determinations, the commission shall consider the cost of the facilities located within each county and city, the population of each county and city, the benefits to be derived by each county and city from the proposed transportation service, and all other factors that the commission determines to be relevant. Such determination, however, shall not create a commitment by the counties and cities, and such commitments shall be created only under the contracts or agreements specified in subdivisions A 4 and B 4.

§ 33.2-2500. Northern Virginia Transportation Authority created.

There is hereby created a political subdivision of the Commonwealth known as the Northern Virginia Transportation Authority, for purposes of this chapter referred to as "the Authority."

In addition to such other powers vested in the Authority by this chapter, the Authority shall have the following powers and functions:

1. The Authority shall prepare a regional transportation plan for Planning District 8 that includes transportation improvements of regional significance and those improvements necessary or incidental thereto and shall revise and amend the plan. The provisions of Article 7 (§ 33.2-1928 et seq.) of Chapter 19 shall apply, mutatis mutandis, to preparation of such transportation plan.

2. The Authority may, when a transportation plan is adopted according to subdivision 1, construct or acquire, by purchase, lease, contract, or otherwise, the transportation facilities specified in such transportation plan.

3. The Authority may enter into agreements or leases with public or private entities for the operation of its facilities or may operate such facilities itself.

4. The Authority may enter into contracts or agreements with the counties and cities embraced by the Authority, with other transportation commissions of transportation districts adjoining any county or city embraced by the Authority, with any transportation authority, or with any federal, state, local, or private entity to provide, or cause to be provided, transportation facilities and services to the area embraced by the Authority. Such contracts or agreements, together with any agreements or leases for the operation of such facilities, may be used by the Authority to finance the construction and operation of transportation facilities and such contracts, agreements, or leases shall inure to the benefit of any creditor of the Authority.

Notwithstanding subdivisions 1 through 4, the Authority shall not have the power to regulate services provided by taxicabs, either within municipalities or across municipal boundaries; such regulation is expressly reserved to the municipalities within which taxicabs operate.

5. Notwithstanding any other provision of law to the contrary, the Authority may:

a. Acquire land or any interest therein by purchase, lease, or gift and provide transportation facilities thereon for use in connection with any transportation service;

b. Acquire land or any interest therein by purchase, lease, or gift in advance of the need for sale or contribution to an agency, for use by that agency in connection with an adopted transportation plan; and

c. Prepare a plan for mass transportation services with persons, counties, cities, agencies, authorities, or transportation commissions and may further contract with any such person or entity to provide necessary facilities, equipment, operations and maintenance, access, and insurance pursuant to such plan.

6. *The Authority shall serve as the transportation commission for the Northern Virginia Transportation District pursuant to § 33.2-1904 and shall fulfill all statutory obligations as provided in that section.*

§ 46.2-753. Additional license fees in certain localities.

Notwithstanding any other provision of law, the governing bodies of Alexandria, Arlington, Fairfax County, Fairfax City, and Falls Church are authorized to charge annual license fees, in addition to those specified in § 46.2-752, on passenger cars, including passenger cars that are used as TNC partner vehicles as defined in § 46.2-2000, but not on passenger cars that are otherwise used for the transportation of passengers for compensation. The additional fee shall be no more than \$5. The total local license fee shall be no more than \$25 on any vehicle, and this license fee shall not be imposed on any motor vehicle exempted under § 46.2-739.

The governing bodies are also authorized to charge additional annual license fees on the motor vehicles, trailers, and semitrailers as specified in § 46.2-697 in an amount of no more than \$5 for each such vehicle. This authorization shall not increase the maximum chargeable by more than \$5 or affect any existing exemption.

Any funds acquired in excess of those allowed by § 46.2-752, shall be allocated to the Northern Virginia Transportation ~~Commission~~ Authority to be a credit to that locality making the payment for its

share of any operating deficit assigned to it by the Washington Metropolitan Area Transit Authority.

§ 58.1-3. (Effective until July 1, 2018) Secrecy of information; penalties.

A. Except in accordance with a proper judicial order or as otherwise provided by law, the Tax Commissioner or agent, clerk, commissioner of the revenue, treasurer, or any other state or local tax or revenue officer or employee, or any person to whom tax information is divulged pursuant to § 58.1-512 or 58.1-2712.2, or any former officer or employee of any of the aforementioned offices shall not divulge any information acquired by him in the performance of his duties with respect to the transactions, property, including personal property, income or business of any person, firm or corporation. Such prohibition specifically includes any copy of a federal return or federal return information required by Virginia law to be attached to or included in the Virginia return. This prohibition shall apply to any reports, returns, financial documents or other information filed with the Attorney General pursuant to the provisions of Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2. Any person violating the provisions of this section is guilty of a Class 1 misdemeanor. The provisions of this subsection shall not be applicable, however, to:

1. Matters required by law to be entered on any public assessment roll or book;
2. Acts performed or words spoken, published, or shared with another agency or subdivision of the Commonwealth in the line of duty under state law;
3. Inquiries and investigations to obtain information as to the process of real estate assessments by a duly constituted committee of the General Assembly, or when such inquiry or investigation is relevant to its study, provided that any such information obtained shall be privileged;
4. The sales price, date of construction, physical dimensions or characteristics of real property, or any information required for building permits;
5. Copies of or information contained in an estate's probate tax return, filed with the clerk of court pursuant to § 58.1-1714, when requested by a beneficiary of the estate or an heir at law of the decedent;
6. Information regarding nonprofit entities exempt from sales and use tax under § 58.1-609.11, when requested by the General Assembly or any duly constituted committee of the General Assembly;
7. Reports or information filed with the Attorney General by a Stamping Agent pursuant to the provisions of Article 3 (§ 3.2-4204 et seq.), when such reports or information are provided by the Attorney General to a tobacco products manufacturer who is required to establish a qualified escrow fund pursuant to § 3.2-4201 and are limited to the brand families of that manufacturer as listed in the Tobacco Directory established pursuant to § 3.2-4206 and are limited to the current or previous two calendar years or in any year in which the Attorney General receives Stamping Agent information that potentially alters the required escrow deposit of the manufacturer. The information shall only be provided in the following manner: the manufacturer may make a written request, on a quarterly or yearly basis or when the manufacturer is notified by the Attorney General of a potential change in the amount of a required escrow deposit, to the Attorney General for a list of the Stamping Agents who reported stamping or selling its products and the amount reported. The Attorney General shall provide the list within 15 days of receipt of the request. If the manufacturer wishes to obtain actual copies of the reports the Stamping Agents filed with the Attorney General, it must first request them from the Stamping Agents pursuant to subsection C of § 3.2-4209. If the manufacturer does not receive the reports pursuant to subsection C of § 3.2-4209, the manufacturer may make a written request to the Attorney General, including a copy of the prior written request to the Stamping Agent and any response received, for copies of any reports not received. The Attorney General shall provide copies of the reports within 45 days of receipt of the request.

B. 1. Nothing contained in this section shall be construed to prohibit the publication of statistics so classified as to prevent the identification of particular reports or returns and the items thereof or the publication of delinquent lists showing the names of taxpayers who are currently delinquent, together with any relevant information which in the opinion of the Department may assist in the collection of such delinquent taxes. Notwithstanding any other provision of this section or other law, the Department, upon request by the General Assembly or any duly constituted committee of the General Assembly, shall disclose the total aggregate amount of an income tax deduction or credit taken by all taxpayers, regardless of (i) how few taxpayers took the deduction or credit or (ii) any other circumstances. This section shall not be construed to prohibit a local tax official from disclosing whether a person, firm or corporation is licensed to do business in that locality and divulging, upon written request, the name and address of any person, firm or corporation transacting business under a fictitious name. Additionally, notwithstanding any other provision of law, the commissioner of revenue is authorized to provide, upon written request stating the reason for such request, the Tax Commissioner with information obtained from local tax returns and other information pertaining to the income, sales and property of any person, firm or corporation licensed to do business in that locality.

2. This section shall not prohibit the Department from disclosing whether a person, firm, or corporation is registered as a retail sales and use tax dealer pursuant to Chapter 6 (§ 58.1-600 et seq.) or whether a certificate of registration number relating to such tax is valid. Additionally, notwithstanding

any other provision of law, the Department is hereby authorized to make available the names and certificate of registration numbers of dealers who are currently registered for retail sales and use tax.

3. This section shall not prohibit the Department from disclosing information to nongovernmental entities with which the Department has entered into a contract to provide services that assist it in the administration of refund processing or other services related to its administration of taxes.

C. Notwithstanding the provisions of subsection A or B or any other provision of this title, the Tax Commissioner is authorized to: (i) divulge tax information to any commissioner of the revenue, director of finance or other similar collector of county, city or town taxes who, for the performance of his official duties, requests the same in writing setting forth the reasons for such request; (ii) provide to the Commissioner of the Department of Social Services, upon written request, information on the amount of income, filing status, number and type of dependents, and whether a federal earned income tax credit has been claimed as reported by persons on their state income tax returns who have applied for public assistance or social services benefits as defined in § 63.2-100; (iii) provide to the chief executive officer of the designated student loan guarantor for the Commonwealth of Virginia, upon written request, the names and home addresses of those persons identified by the designated guarantor as having delinquent loans guaranteed by the designated guarantor; (iv) provide current address information upon request to state agencies and institutions for their confidential use in facilitating the collection of accounts receivable, and to the clerk of a circuit or district court for their confidential use in facilitating the collection of fines, penalties and costs imposed in a proceeding in that court; (v) provide to the Commissioner of the Virginia Employment Commission, after entering into a written agreement, such tax information as may be necessary to facilitate the collection of unemployment taxes and overpaid benefits; (vi) provide to the Alcoholic Beverage Control Board, upon entering into a written agreement, such tax information as may be necessary to facilitate the collection of state and local taxes and the administration of the alcoholic beverage control laws; (vii) provide to the Director of the Virginia Lottery such tax information as may be necessary to identify those lottery ticket retailers who owe delinquent taxes; (viii) provide to the Department of the Treasury for its confidential use such tax information as may be necessary to facilitate the location of owners and holders of unclaimed property, as defined in § 55-210.2; (ix) provide to the State Corporation Commission, upon entering into a written agreement, such tax information as may be necessary to facilitate the collection of taxes and fees administered by the Commission; (x) provide to the Executive Director of the Potomac and Rappahannock Transportation Commission for his confidential use such tax information as may be necessary to facilitate the collection of the motor vehicle fuel sales tax; (xi) provide to the Commissioner of the Department of Agriculture and Consumer Services such tax information as may be necessary to identify those applicants for registration as a supplier of charitable gaming supplies who have not filed required returns or who owe delinquent taxes; (xii) provide to the Department of Housing and Community Development for its confidential use such tax information as may be necessary to facilitate the administration of the remaining effective provisions of the Enterprise Zone Act (§ 59.1-270 et seq.), and the Enterprise Zone Grant Program (§ 59.1-538 et seq.); (xiii) provide current name and address information to private collectors entering into a written agreement with the Tax Commissioner, for their confidential use when acting on behalf of the Commonwealth or any of its political subdivisions; however, the Tax Commissioner is not authorized to provide such information to a private collector who has used or disseminated in an unauthorized or prohibited manner any such information previously provided to such collector; (xiv) provide current name and address information as to the identity of the wholesale or retail dealer that affixed a tax stamp to a package of cigarettes to any person who manufactures or sells at retail or wholesale cigarettes and who may bring an action for injunction or other equitable relief for violation of Chapter 10.1, Enforcement of Illegal Sale or Distribution of Cigarettes Act; (xv) provide to the Commissioner of Labor and Industry, upon entering into a written agreement, such tax information as may be necessary to facilitate the collection of unpaid wages under § 40.1-29; (xvi) provide to the Director of the Department of Human Resource Management, upon entering into a written agreement, such tax information as may be necessary to identify persons receiving workers' compensation indemnity benefits who have failed to report earnings as required by § 65.2-712; (xvii) provide to any commissioner of the revenue, director of finance, or any other officer of any county, city, or town performing any or all of the duties of a commissioner of the revenue and to any dealer registered for the collection of the Communications Sales and Use Tax, a list of the names, business addresses, and dates of registration of all dealers registered for such tax; (xviii) provide to the ~~Executive Director~~ *chief executive officer* of the Northern Virginia Transportation ~~Commission~~ *Authority* for his confidential use such tax information as may be necessary to facilitate the collection of the motor vehicle fuel sales tax; (xix) provide to the Commissioner of Agriculture and Consumer Services the name and address of the taxpayer businesses licensed by the Commonwealth that identify themselves as subject to regulation by the Board of Agriculture and Consumer Services pursuant to § 3.2-5130; and (xx) provide to the developer or the economic development authority of a tourism

project authorized by § 58.1-3851.1, upon entering into a written agreement, tax information facilitating the repayment of gap financing. The Tax Commissioner is further authorized to enter into written agreements with duly constituted tax officials of other states and of the United States for the inspection of tax returns, the making of audits, and the exchange of information relating to any tax administered by the Department of Taxation. Any person to whom tax information is divulged pursuant to this section shall be subject to the prohibitions and penalties prescribed herein as though he were a tax official.

D. Notwithstanding the provisions of subsection A or B or any other provision of this title, the commissioner of revenue or other assessing official is authorized to (i) provide, upon written request stating the reason for such request, the chief executive officer of any county or city with information furnished to the commissioner of revenue by the Tax Commissioner relating to the name and address of any dealer located within the county or city who paid sales and use tax, for the purpose of verifying the local sales and use tax revenues payable to the county or city; (ii) provide to the Department of Professional and Occupational Regulation for its confidential use the name, address, and amount of gross receipts of any person, firm or entity subject to a criminal investigation of an unlawful practice of a profession or occupation administered by the Department of Professional and Occupational Regulation, only after the Department of Professional and Occupational Regulation exhausts all other means of obtaining such information; and (iii) provide to any representative of a condominium unit owners' association, property owners' association or real estate cooperative association, or to the owner of property governed by any such association, the names and addresses of parties having a security interest in real property governed by any such association; however, such information shall be released only upon written request stating the reason for such request, which reason shall be limited to proposing or opposing changes to the governing documents of the association, and any information received by any person under this subsection shall be used only for the reason stated in the written request. The treasurer or other local assessing official may require any person requesting information pursuant to clause (iii) of this subsection to pay the reasonable cost of providing such information. Any person to whom tax information is divulged pursuant to this subsection shall be subject to the prohibitions and penalties prescribed herein as though he were a tax official.

Notwithstanding the provisions of subsection A or B or any other provisions of this title, the treasurer or other collector of taxes for a county, city or town is authorized to provide information relating to any motor vehicle, trailer or semitrailer obtained by such treasurer or collector in the course of performing his duties to the commissioner of the revenue or other assessing official for such jurisdiction for use by such commissioner or other official in performing assessments.

This section shall not be construed to prohibit a local tax official from imprinting or displaying on a motor vehicle local license decal the year, make, and model and any other legal identification information about the particular motor vehicle for which that local license decal is assigned.

E. Notwithstanding any other provisions of law, state agencies and any other administrative or regulatory unit of state government shall divulge to the Tax Commissioner or his authorized agent, upon written request, the name, address, and social security number of a taxpayer, necessary for the performance of the Commissioner's official duties regarding the administration and enforcement of laws within the jurisdiction of the Department of Taxation. The receipt of information by the Tax Commissioner or his agent which may be deemed taxpayer information shall not relieve the Commissioner of the obligations under this section.

F. Additionally, it shall be unlawful for any person to disseminate, publish, or cause to be published any confidential tax document which he knows or has reason to know is a confidential tax document. A confidential tax document is any correspondence, document, or tax return that is prohibited from being divulged by subsection A, B, C, or D and includes any document containing information on the transactions, property, income, or business of any person, firm, or corporation that is required to be filed with any state official by § 58.1-512. This prohibition shall not apply if such confidential tax document has been divulged or disseminated pursuant to a provision of law authorizing disclosure. Any person violating the provisions of this subsection is guilty of a Class 1 misdemeanor.

§ 58.1-3. (Effective July 1, 2018) Secrecy of information; penalties.

A. Except in accordance with a proper judicial order or as otherwise provided by law, the Tax Commissioner or agent, clerk, commissioner of the revenue, treasurer, or any other state or local tax or revenue officer or employee, or any person to whom tax information is divulged pursuant to § 58.1-512 or 58.1-2712.2, or any former officer or employee of any of the aforementioned offices shall not divulge any information acquired by him in the performance of his duties with respect to the transactions, property, including personal property, income or business of any person, firm or corporation. Such prohibition specifically includes any copy of a federal return or federal return information required by Virginia law to be attached to or included in the Virginia return. This prohibition shall apply to any reports, returns, financial documents or other information filed with the Attorney General pursuant to the provisions of Article 3 (§ 3.2-4204 et seq.) of Chapter 42 of Title 3.2. Any person violating the provisions of this section is guilty of a Class 1 misdemeanor. The provisions of this subsection shall not

be applicable, however, to:

1. Matters required by law to be entered on any public assessment roll or book;
 2. Acts performed or words spoken, published, or shared with another agency or subdivision of the Commonwealth in the line of duty under state law;
 3. Inquiries and investigations to obtain information as to the process of real estate assessments by a duly constituted committee of the General Assembly, or when such inquiry or investigation is relevant to its study, provided that any such information obtained shall be privileged;
 4. The sales price, date of construction, physical dimensions or characteristics of real property, or any information required for building permits;
 5. Copies of or information contained in an estate's probate tax return, filed with the clerk of court pursuant to § 58.1-1714, when requested by a beneficiary of the estate or an heir at law of the decedent;
 6. Information regarding nonprofit entities exempt from sales and use tax under § 58.1-609.11, when requested by the General Assembly or any duly constituted committee of the General Assembly;
 7. Reports or information filed with the Attorney General by a Stamping Agent pursuant to the provisions of Article 3 (§ 3.2-4204 et seq.), when such reports or information are provided by the Attorney General to a tobacco products manufacturer who is required to establish a qualified escrow fund pursuant to § 3.2-4201 and are limited to the brand families of that manufacturer as listed in the Tobacco Directory established pursuant to § 3.2-4206 and are limited to the current or previous two calendar years or in any year in which the Attorney General receives Stamping Agent information that potentially alters the required escrow deposit of the manufacturer. The information shall only be provided in the following manner: the manufacturer may make a written request, on a quarterly or yearly basis or when the manufacturer is notified by the Attorney General of a potential change in the amount of a required escrow deposit, to the Attorney General for a list of the Stamping Agents who reported stamping or selling its products and the amount reported. The Attorney General shall provide the list within 15 days of receipt of the request. If the manufacturer wishes to obtain actual copies of the reports the Stamping Agents filed with the Attorney General, it must first request them from the Stamping Agents pursuant to subsection C of § 3.2-4209. If the manufacturer does not receive the reports pursuant to subsection C of § 3.2-4209, the manufacturer may make a written request to the Attorney General, including a copy of the prior written request to the Stamping Agent and any response received, for copies of any reports not received. The Attorney General shall provide copies of the reports within 45 days of receipt of the request.
- B. 1. Nothing contained in this section shall be construed to prohibit the publication of statistics so classified as to prevent the identification of particular reports or returns and the items thereof or the publication of delinquent lists showing the names of taxpayers who are currently delinquent, together with any relevant information which in the opinion of the Department may assist in the collection of such delinquent taxes. Notwithstanding any other provision of this section or other law, the Department, upon request by the General Assembly or any duly constituted committee of the General Assembly, shall disclose the total aggregate amount of an income tax deduction or credit taken by all taxpayers, regardless of (i) how few taxpayers took the deduction or credit or (ii) any other circumstances. This section shall not be construed to prohibit a local tax official from disclosing whether a person, firm or corporation is licensed to do business in that locality and divulging, upon written request, the name and address of any person, firm or corporation transacting business under a fictitious name. Additionally, notwithstanding any other provision of law, the commissioner of revenue is authorized to provide, upon written request stating the reason for such request, the Tax Commissioner with information obtained from local tax returns and other information pertaining to the income, sales and property of any person, firm or corporation licensed to do business in that locality.
2. This section shall not prohibit the Department from disclosing whether a person, firm, or corporation is registered as a retail sales and use tax dealer pursuant to Chapter 6 (§ 58.1-600 et seq.) or whether a certificate of registration number relating to such tax is valid. Additionally, notwithstanding any other provision of law, the Department is hereby authorized to make available the names and certificate of registration numbers of dealers who are currently registered for retail sales and use tax.
3. This section shall not prohibit the Department from disclosing information to nongovernmental entities with which the Department has entered into a contract to provide services that assist it in the administration of refund processing or other services related to its administration of taxes.
- C. Notwithstanding the provisions of subsection A or B or any other provision of this title, the Tax Commissioner is authorized to: (i) divulge tax information to any commissioner of the revenue, director of finance or other similar collector of county, city or town taxes who, for the performance of his official duties, requests the same in writing setting forth the reasons for such request; (ii) provide to the Commissioner of the Department of Social Services, upon written request, information on the amount of income, filing status, number and type of dependents, and whether a federal earned income tax credit has been claimed as reported by persons on their state income tax returns who have applied for public

551 assistance or social services benefits as defined in § 63.2-100; (iii) provide to the chief executive officer
552 of the designated student loan guarantor for the Commonwealth of Virginia, upon written request, the
553 names and home addresses of those persons identified by the designated guarantor as having delinquent
554 loans guaranteed by the designated guarantor; (iv) provide current address information upon request to
555 state agencies and institutions for their confidential use in facilitating the collection of accounts
556 receivable, and to the clerk of a circuit or district court for their confidential use in facilitating the
557 collection of fines, penalties and costs imposed in a proceeding in that court; (v) provide to the
558 Commissioner of the Virginia Employment Commission, after entering into a written agreement, such
559 tax information as may be necessary to facilitate the collection of unemployment taxes and overpaid
560 benefits; (vi) provide to the Virginia Alcoholic Beverage Control Authority, upon entering into a written
561 agreement, such tax information as may be necessary to facilitate the collection of state and local taxes
562 and the administration of the alcoholic beverage control laws; (vii) provide to the Director of the
563 Virginia Lottery such tax information as may be necessary to identify those lottery ticket retailers who
564 owe delinquent taxes; (viii) provide to the Department of the Treasury for its confidential use such tax
565 information as may be necessary to facilitate the location of owners and holders of unclaimed property,
566 as defined in § 55-210.2; (ix) provide to the State Corporation Commission, upon entering into a written
567 agreement, such tax information as may be necessary to facilitate the collection of taxes and fees
568 administered by the Commission; (x) provide to the Executive Director of the Potomac and
569 Rappahannock Transportation Commission for his confidential use such tax information as may be
570 necessary to facilitate the collection of the motor vehicle fuel sales tax; (xi) provide to the
571 Commissioner of the Department of Agriculture and Consumer Services such tax information as may be
572 necessary to identify those applicants for registration as a supplier of charitable gaming supplies who
573 have not filed required returns or who owe delinquent taxes; (xii) provide to the Department of Housing
574 and Community Development for its confidential use such tax information as may be necessary to
575 facilitate the administration of the remaining effective provisions of the Enterprise Zone Act (§ 59.1-270
576 et seq.), and the Enterprise Zone Grant Program (§ 59.1-538 et seq.); (xiii) provide current name and
577 address information to private collectors entering into a written agreement with the Tax Commissioner,
578 for their confidential use when acting on behalf of the Commonwealth or any of its political
579 subdivisions; however, the Tax Commissioner is not authorized to provide such information to a private
580 collector who has used or disseminated in an unauthorized or prohibited manner any such information
581 previously provided to such collector; (xiv) provide current name and address information as to the
582 identity of the wholesale or retail dealer that affixed a tax stamp to a package of cigarettes to any
583 person who manufactures or sells at retail or wholesale cigarettes and who may bring an action for
584 injunction or other equitable relief for violation of Chapter 10.1, Enforcement of Illegal Sale or
585 Distribution of Cigarettes Act; (xv) provide to the Commissioner of Labor and Industry, upon entering
586 into a written agreement, such tax information as may be necessary to facilitate the collection of unpaid
587 wages under § 40.1-29; (xvi) provide to the Director of the Department of Human Resource
588 Management, upon entering into a written agreement, such tax information as may be necessary to
589 identify persons receiving workers' compensation indemnity benefits who have failed to report earnings
590 as required by § 65.2-712; (xvii) provide to any commissioner of the revenue, director of finance, or any
591 other officer of any county, city, or town performing any or all of the duties of a commissioner of the
592 revenue and to any dealer registered for the collection of the Communications Sales and Use Tax, a list
593 of the names, business addresses, and dates of registration of all dealers registered for such tax; (xviii)
594 provide to the ~~Executive Director~~ *chief executive officer* of the Northern Virginia Transportation
595 ~~Commission~~ Authority for his confidential use such tax information as may be necessary to facilitate the
596 collection of the motor vehicle fuel sales tax; (xix) provide to the Commissioner of Agriculture and
597 Consumer Services the name and address of the taxpayer businesses licensed by the Commonwealth that
598 identify themselves as subject to regulation by the Board of Agriculture and Consumer Services pursuant
599 to § 3.2-5130; and (xx) provide to the developer or the economic development authority of a tourism
600 project authorized by § 58.1-3851.1, upon entering into a written agreement, tax information facilitating
601 the repayment of gap financing. The Tax Commissioner is further authorized to enter into written
602 agreements with duly constituted tax officials of other states and of the United States for the inspection
603 of tax returns, the making of audits, and the exchange of information relating to any tax administered by
604 the Department of Taxation. Any person to whom tax information is divulged pursuant to this section
605 shall be subject to the prohibitions and penalties prescribed herein as though he were a tax official.

606 D. Notwithstanding the provisions of subsection A or B or any other provision of this title, the
607 commissioner of revenue or other assessing official is authorized to (i) provide, upon written request
608 stating the reason for such request, the chief executive officer of any county or city with information
609 furnished to the commissioner of revenue by the Tax Commissioner relating to the name and address of
610 any dealer located within the county or city who paid sales and use tax, for the purpose of verifying the
611 local sales and use tax revenues payable to the county or city; (ii) provide to the Department of
612 Professional and Occupational Regulation for its confidential use the name, address, and amount of gross

receipts of any person, firm or entity subject to a criminal investigation of an unlawful practice of a profession or occupation administered by the Department of Professional and Occupational Regulation, after the Department of Professional and Occupational Regulation exhausts all other means of obtaining such information; and (iii) provide to any representative of a condominium unit owners' association, property owners' association or real estate cooperative association, or to the owner of property governed by any such association, the names and addresses of parties having a security interest in real property governed by any such association; however, such information shall be released only upon written request stating the reason for such request, which reason shall be limited to proposing or opposing changes to the governing documents of the association, and any information received by any person under this subsection shall be used only for the reason stated in the written request. The treasurer or other local assessing official may require any person requesting information pursuant to clause (iii) of this subsection to pay the reasonable cost of providing such information. Any person to whom tax information is divulged pursuant to this subsection shall be subject to the prohibitions and penalties prescribed herein as though he were a tax official.

Notwithstanding the provisions of subsection A or B or any other provisions of this title, the treasurer or other collector of taxes for a county, city or town is authorized to provide information relating to any motor vehicle, trailer or semitrailer obtained by such treasurer or collector in the course of performing his duties to the commissioner of the revenue or other assessing official for such jurisdiction for use by such commissioner or other official in performing assessments.

This section shall not be construed to prohibit a local tax official from imprinting or displaying on a motor vehicle local license decal the year, make, and model and any other legal identification information about the particular motor vehicle for which that local license decal is assigned.

E. Notwithstanding any other provisions of law, state agencies and any other administrative or regulatory unit of state government shall divulge to the Tax Commissioner or his authorized agent, upon written request, the name, address, and social security number of a taxpayer, necessary for the performance of the Commissioner's official duties regarding the administration and enforcement of laws within the jurisdiction of the Department of Taxation. The receipt of information by the Tax Commissioner or his agent which may be deemed taxpayer information shall not relieve the Commissioner of the obligations under this section.

F. Additionally, it shall be unlawful for any person to disseminate, publish, or cause to be published any confidential tax document which he knows or has reason to know is a confidential tax document. A confidential tax document is any correspondence, document, or tax return that is prohibited from being divulged by subsection A, B, C, or D and includes any document containing information on the transactions, property, income, or business of any person, firm, or corporation that is required to be filed with any state official by § 58.1-512. This prohibition shall not apply if such confidential tax document has been divulged or disseminated pursuant to a provision of law authorizing disclosure. Any person violating the provisions of this subsection is guilty of a Class 1 misdemeanor.

§ 58.1-638. Disposition of state sales and use tax revenue.

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 shall be paid, in the manner hereinafter provided in this section, to the Transportation Trust Fund as defined in § 33.2-1524. 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 14.7 percent 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. Expenditures for such capital needs are restricted to those capital projects specified in subsection B of § 62.1-132.1.

674 c. Commonwealth Port Fund revenue shall be allocated by the Board of Commissioners to the
675 Virginia Port Authority in order to foster and stimulate the flow of maritime commerce through the
676 ports of Virginia, including but not limited to the ports of Richmond, Hopewell, and Alexandria.

677 3. There is hereby created in the Department of the Treasury a special nonreverting fund which shall
678 be part of the Transportation Trust Fund and which shall be known as the Commonwealth Airport Fund.
679 The Commonwealth Airport Fund shall be established on the books of the Comptroller and any funds
680 remaining in such Fund at the end of a biennium shall not revert to the general fund but shall remain in
681 the Fund. Interest earned on the funds shall be credited to the Fund. The funds so allocated shall be
682 allocated by the Commonwealth Transportation Board to the Virginia Aviation Board. The funds shall
683 be allocated by the Virginia Aviation Board to any Virginia airport which is owned by the
684 Commonwealth, a governmental subdivision thereof, or a private entity to which the public has access
685 for the purposes enumerated in § 5.1-2.16, or is owned or leased by the Metropolitan Washington
686 Airports Authority (MWAA), as follows:

687 Any new funds in excess of \$12.1 million which are available for allocation by the Virginia Aviation
688 Board from the Commonwealth Transportation Fund, shall be allocated as follows: 60 percent to
689 MWAA, up to a maximum annual amount of \$2 million, and 40 percent to air carrier airports as
690 provided in subdivision A 3 a. Except for adjustments due to changes in enplaned passengers, no air
691 carrier airport sponsor, excluding MWAA, shall receive less funds identified under subdivision A 3 a
692 than it received in fiscal year 1994-1995.

693 Of the remaining amount:

694 a. Forty percent of the funds shall be allocated to air carrier airports, except airports owned or leased
695 by MWAA, based upon the percentage of enplanements for each airport to total enplanements at all air
696 carrier airports, except airports owned or leased by MWAA. No air carrier airport sponsor, however,
697 shall receive less than \$50,000 nor more than \$2 million per year from this provision.

698 b. Forty percent of the funds shall be allocated by the Aviation Board for air carrier and reliever
699 airports on a discretionary basis, except airports owned or leased by MWAA.

700 c. Twenty percent of the funds shall be allocated by the Aviation Board for general aviation airports
701 on a discretionary basis.

702 3a. There is hereby created in the Department of the Treasury a special nonreverting fund that shall
703 be a part of the Transportation Trust Fund and that shall be known as the Commonwealth Space Flight
704 Fund. The Commonwealth Space Flight Fund shall be established on the books of the Comptroller and
705 the funds remaining in such Fund at the end of a biennium shall not revert to the general fund but shall
706 remain in the Fund. Interest earned on such funds shall remain in the Fund and be credited to it.

707 a. The amounts allocated to the Commonwealth Space Flight Fund pursuant to § 33.2-1526 shall be
708 allocated by the Commonwealth Transportation Board to the Board of Directors of the Virginia
709 Commercial Space Flight Authority to be used to support the capital needs, maintenance, and operating
710 costs of any and all facilities owned and operated by the Virginia Commercial Space Flight Authority.

711 b. Commonwealth Space Flight Fund revenue shall be allocated by the Board of Directors to the
712 Virginia Commercial Space Flight Authority in order to foster and stimulate the growth of the
713 commercial space flight industry in Virginia.

714 4. There is hereby created in the Department of the Treasury a special nonreverting fund which shall
715 be a part of the Transportation Trust Fund and which shall be known as the Commonwealth Mass
716 Transit Fund.

717 a. The Commonwealth Mass Transit Fund shall be established on the books of the Comptroller and
718 any funds remaining in such Fund at the end of the biennium shall not revert to the general fund but
719 shall remain in the Fund. Interest earned on such funds shall be credited to the Fund. If funds in
720 subdivision 4 b (1)(c) or 4 b (2)(d) are allocated to the construction of a new fixed rail project, such
721 project shall be evaluated according to the process established pursuant to subsection B of § 33.2-214.1.
722 Funds may be paid to any local governing body, transportation district commission, or public service
723 corporation for the purposes hereinafter specified.

724 b. The amounts allocated pursuant to this section shall be used to support the operating, capital, and
725 administrative costs of public transportation at a state share determined by the Commonwealth
726 Transportation Board, and these amounts may be used to support the capital project costs of public
727 transportation and ridesharing equipment, facilities, and associated costs at a state share determined by
728 the Commonwealth Transportation Board. Capital costs may include debt service payments on local or
729 agency transit bonds. In making these determinations, the Commonwealth Transportation Board shall
730 confer with the Director of the Department of Rail and Public Transportation. In development of the
731 Director's recommendation and subsequent allocation of funds by the Commonwealth Transportation
732 Board, the Director of the Department of Rail and Public Transportation and the Commonwealth
733 Transportation Board shall adhere to the following:

734 (1) For the distribution of revenues from the Commonwealth Mass Transit Fund, of those revenues
735 generated in 2014 and thereafter, the first \$160 million in revenues or the maximum available revenues

if less than \$160 million shall be distributed by the Commonwealth Transportation Board as follows:

(a) Funds for special programs, which shall include ridesharing, transportation demand management programs, experimental transit, public transportation promotion, operation studies, and technical assistance, shall not exceed 3 percent of the funds pursuant to this section and may be allocated 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:

(i) 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.

(ii) To finance up to 80 percent of the cost of the development and implementation of projects where the purpose of such project is to enhance the provision and use of public transportation services.

(b) At least 72 percent of the funds 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.

(c) Twenty-five percent of the funds shall be allocated and distributed utilizing a tiered approach evaluated by the Transit Service Delivery Advisory Committee along with the Director of the Department of Rail and Public Transportation and established by the Commonwealth Transportation Board for capital purposes based on asset need and anticipated state participation level and revenues. The tier distribution measures may be evaluated by the Transit Service Delivery Advisory Committee along with the Director of the Department of Rail and Public Transportation every three years and, if redefined by the Board, shall be published at least one year in advance of being applied. Funds allocated for debt service payments will be included in the tier that applies to the capital asset that is leveraged.

(d) Transfer of funds from funding categories in subdivisions 4 b (1)(a) and 4 b (1)(c) to 4 b (1)(b) shall be considered by the Commonwealth Transportation Board in times of statewide economic distress or statewide special need.

(2) The Commonwealth Transportation Board shall allocate the remaining revenues after the application of the provisions set forth in subdivision 4 b (1) generated for the Commonwealth Mass Transit Fund for 2014 and succeeding years as follows:

(a) Funds pursuant to this section shall be distributed among operating, capital, and special projects in order to respond to the needs of the transit community.

(b) Of the funds pursuant to this section, at least 72 percent shall be allocated to support operating costs of transit providers and distributed by the Commonwealth Transportation Board based on service delivery factors, based on effectiveness and efficiency, as established by the Commonwealth Transportation Board. These measures and their relative weight shall be evaluated every three years and, if redefined by the Commonwealth Transportation Board, shall be published and made available for public comment at least one year in advance of being applied. In developing the service delivery factors, the Commonwealth Transportation Board shall create for the Department of Rail and Public Transportation a Transit Service Delivery Advisory Committee, consisting of two members appointed by the Virginia Transit Association, one member appointed by the Community Transportation Association of Virginia, one member appointed by the Virginia Municipal League, one member appointed by the Virginia Association of Counties, and three members appointed by the Director of the Department of Rail and Public Transportation, to advise the Department of Rail and Public Transportation in the development of a distribution process for the funds allocated pursuant to this subdivision 4 b (2)(b) and how transit systems can incorporate these metrics in their transit development plans. The Transit Service Delivery Advisory Committee shall elect a Chair. The Department of Rail and Public Transportation shall provide administrative support to the committee. Effective July 1, 2013, the Transit Service Delivery Advisory Committee shall meet at least annually and consult with interested stakeholders and hold at least one public hearing and report its findings to the Director of the Department of Rail and Public Transportation. Prior to the Commonwealth Transportation Board approving the service delivery factors, the Director of the Department of Rail and Public Transportation along with the Chair of the Transit Service Delivery Advisory Committee shall brief the Senate Committee on Finance, the House Appropriations Committee, and the Senate and House Committees on Transportation on the findings of the Transit Service Delivery Advisory Committee and the Department's recommendation. Before redefining any component of the service delivery factors, the Commonwealth Transportation Board shall consult with the Director of the Department of Rail and Public Transportation, Transit Service Delivery Advisory Committee, and interested stakeholders and provide for a 45-day public comment period. Prior to approval of any amendment to the service delivery measures, the Board shall notify the aforementioned committees of the pending amendment to the service delivery factors and its content.

(c) Funds for special programs, which shall include ridesharing, transportation demand management programs, experimental transit, public transportation promotion, operation studies, and technical assistance, shall not exceed 3 percent of the funds pursuant to this section and may be allocated to any

797 local governing body, planning district commission, transportation district commission, or public transit
798 corporation, or may be used directly by the Department of Rail and Public Transportation for the
799 following purposes and aid of public transportation services:

800 (i) To finance a program administered by the Department of Rail and Public Transportation designed
801 to promote the use of public transportation and ridesharing throughout Virginia.

802 (ii) To finance up to 80 percent of the cost of the development and implementation of projects where
803 the purpose of such project is to enhance the provision and use of public transportation services.

804 (d) Of the funds pursuant to this section, 25 percent shall be allocated and distributed utilizing a
805 tiered approach evaluated by the Transit Service Delivery Advisory Committee along with the Director
806 of Rail and Public Transportation and established by the Commonwealth Transportation Board for
807 capital purposes based on asset need and anticipated state participation level and revenues. The tier
808 distribution measures may be evaluated by the Transit Service Delivery Advisory Committee along with
809 the Director of Rail and Public Transportation every three years and, if redefined by the Board, shall be
810 published at least one year in advance of being applied. Funds allocated for debt service payments shall
811 be included in the tier that applies to the capital asset that is leveraged.

812 (e) Transfer of funds from funding categories in subdivisions 4 b (2)(c) and 4 b (2)(d) to 4 b (2)(b)
813 shall be considered by the Commonwealth Transportation Board in times of statewide economic distress
814 or statewide special need.

815 (f) The Department of Rail and Public Transportation may reserve a balance of up to five percent of
816 the Commonwealth Mass Transit Fund revenues under this subsection in order to assure better stability
817 in providing operating and capital funding to transit entities from year to year.

818 (3) The Commonwealth Mass Transit Fund shall not be allocated without requiring a local match
819 from the recipient.

820 c. There is hereby created in the Department of the Treasury a special nonreverting fund known as
821 the Commonwealth Transit Capital Fund. The Commonwealth Transit Capital Fund shall be part of the
822 Commonwealth Mass Transit Fund. The Commonwealth Transit Capital Fund subaccount shall be
823 established on the books of the Comptroller and consist of such moneys as are appropriated to it by the
824 General Assembly and of all donations, gifts, bequests, grants, endowments, and other moneys given,
825 bequeathed, granted, or otherwise made available to the Commonwealth Transit Capital Fund. Any funds
826 remaining in the Commonwealth Transit Capital Fund at the end of the biennium shall not revert to the
827 general fund, but shall remain in the Commonwealth Transit Capital Fund. Interest earned on funds
828 within the Commonwealth Transit Capital Fund shall remain in and be credited to the Commonwealth
829 Transit Capital Fund. Proceeds of the Commonwealth Transit Capital Fund may be paid to any political
830 subdivision, another public entity created by an act of the General Assembly, or a private entity as
831 defined in § 33.2-1800 and for purposes as enumerated in subdivision 7 of § 33.2-1701 or expended by
832 the Department of Rail and Public Transportation for the purposes specified in this subdivision.
833 Revenues of the Commonwealth Transit Capital Fund shall be used to support capital expenditures
834 involving the establishment, improvement, or expansion of public transportation services through specific
835 projects approved by the Commonwealth Transportation Board. If revenues of the Commonwealth
836 Transit Capital Fund are allocated to the construction of a new fixed rail project, such project shall be
837 evaluated according to the process established pursuant to subsection B of § 33.2-214.1. The
838 Commonwealth Transit Capital Fund shall not be allocated without requiring a local match from the
839 recipient.

840 d. The Commonwealth Transportation Board may allocate up to three and one-half percent of the
841 funds set aside for the Commonwealth Mass Transit Fund to support costs of project development,
842 project administration, and project compliance incurred by the Department of Rail and Public
843 Transportation in implementing rail, public transportation, and congestion management grants and
844 programs.

845 5. Funds for Metro shall be paid by the Northern Virginia Transportation ~~Commission~~ (NVTC)
846 *Authority* (NVTA) to the Washington Metropolitan Area Transit Authority (WMATA) and be a credit to
847 the Counties of Arlington and Fairfax and the Cities of Alexandria, Falls Church, and Fairfax in the
848 following manner:

849 a. Local obligations for debt service for WMATA rail transit bonds apportioned to each locality
850 using WMATA's capital formula shall be paid first by ~~NVTC~~ NVTA. ~~NVTC~~ NVTA shall use 95 percent
851 state aid for these payments.

852 b. The remaining funds shall be apportioned to reflect WMATA's allocation formulas by using the
853 related WMATA-allocated subsidies and relative shares of local transit subsidies. Capital costs shall
854 include 20 percent of annual local bus capital expenses. Hold harmless protections and obligations for
855 ~~NVTC's~~ NVTA's jurisdictions agreed to by ~~NVTC~~ NVTA on November 5, 1998, shall remain in effect.

856 Appropriations from the Commonwealth Mass Transit Fund are intended to provide a stable and
857 reliable source of revenue as defined by Public Law 96-184.

858 6. Notwithstanding any other provision of law, funds allocated to Metro may be disbursed by the

Department of Rail and Public Transportation directly to Metro or to any other transportation entity that has an agreement to provide funding to Metro.

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 the 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 of the latest yearly estimate of the population of cities and counties ages five to 19, provided by the Weldon Cooper Center for Public Service of the University of Virginia. Such population estimate produced by the Weldon Cooper Center for Public Service of the University of Virginia shall account for persons who are domiciled in orphanages or charitable institutions or who are dependents living on any federal military or naval reservation or other federal property within the school division in which the institutions or federal military or naval reservation or other federal property is located. Such population estimate produced by the Weldon Cooper Center for Public Service of the University of Virginia shall account for members of the military services who are under 20 years of age within the school division in which the parents or guardians of such persons legally reside. Such population estimate produced by the Weldon Cooper Center for Public Service of the University of Virginia shall account for individuals receiving services in state hospitals, state training centers, or mental health facilities, persons who are confined in state or federal correctional institutions, or persons who attend the Virginia School for the Deaf and the Blind within the school division in which the parents or guardians of such persons legally reside. Such population estimate produced by the Weldon Cooper Center for Public Service of the University of Virginia shall account for persons who attend institutions of higher education within the school division in which the student's parents or guardians legally reside. To such estimate, the Department of Education shall add the population of students with disabilities, ages two through four and 20 through 21, as provided to the Department of Education by school divisions. 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 estimate of school population provided by the Weldon Cooper Center for Public Service, 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 estimate 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 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 § 29.1-101.01, 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. 1. Of the net revenue generated from the one-half percent increase in the rate of the state sales and use tax effective August 1, 2004, pursuant to enactments of the 2004 Special Session I of the General Assembly, the Comptroller shall transfer from the general fund of the state treasury to the

Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund established under § 58.1-638.1 an amount equivalent to one-half of the net revenue generated from such one-half percent increase as provided in this subdivision. The transfers to the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund under this subdivision shall be for one-half of the net revenue generated (and collected in the succeeding month) from such one-half percent increase for the month of August 2004 and for each month thereafter.

2. Beginning July 1, 2013, of the remaining sales and use tax revenue, an amount equal to the revenue generated by a 0.125 percent sales and use tax shall be distributed to the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund established under § 58.1-638.1, and be used for the state's share of Standards of Quality basic aid payments.

3. For the purposes of the Comptroller making the required transfers under subdivision 1 and 2, the Tax Commissioner shall make a written certification to the Comptroller no later than the twenty-fifth of each month certifying the sales and use tax revenues generated in the preceding month. Within three calendar days of receiving such certification, the Comptroller shall make the required transfers to the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund.

G. (Contingent expiration date — see note) Beginning July 1, 2013, of the remaining sales and use tax revenue, an amount equal to the following percentages of the revenue generated by a one-half percent sales and use tax, such as that paid to the Transportation Trust Fund as provided in subdivision A 1, shall be paid to the Highway Maintenance and Operating Fund established pursuant to § 33.2-1530:

1. For fiscal year 2014, an amount equal to 10 percent;
2. For fiscal year 2015, an amount equal to 20 percent;
3. For fiscal year 2016, an amount equal to 30 percent; and
4. For fiscal year 2017 and thereafter, an amount equal to 35 percent.

The Highway Maintenance and Operating Fund's share of the net revenue distributable under this subsection 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.

H. (Contingent expiration date — see note) 1. The additional revenue generated by increases in the state sales and use tax from Planning District 8 pursuant to §§ 58.1-603.1, 58.1-604.01, 58.1-604.1, and 58.1-614 shall be deposited by the Comptroller in the fund established under § 33.2-2509.

2. The additional revenue generated by increases in the state sales and use tax from Planning District 23 pursuant to §§ 58.1-603.1, 58.1-604.01, 58.1-604.1, and 58.1-614 shall be deposited by the Comptroller in the fund established under § 33.2-2600.

3. The additional revenue generated by increases in the state sales and use tax in any other Planning District pursuant to §§ 58.1-603.1, 58.1-604.01, 58.1-604.1, and 58.1-614 shall be deposited into special funds that shall be established by appropriate legislation.

4. The net revenues distributable under this subsection shall be computed as an estimate of the net revenue to be received by 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 appropriate funds on the last day of each month.

I. 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.

J. 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.

§ 58.1-2294. Disclosure of information; penalties.

A. The Commissioner may divulge tax information collected in administering this chapter to the Tax Commissioner, or to any director of finance or other authorized collector of county, city, or town taxes who, for the performance of his official duties, requests the same in writing setting forth the reasons for such request. The Commissioner may also divulge to the ~~executive directors~~ *chief executive officer* of the Northern Virginia Transportation ~~Commission~~ *Authority* and *executive director* of the Potomac and Rappahannock Transportation Commission for their confidential use such tax information as may be necessary to facilitate the collection of the taxes levied under this chapter.

B. Any person to whom tax information is divulged pursuant to this section shall be subject to the prohibitions and penalties prescribed in § 58.1-3 as though that person were a tax official as defined in that section.

2. That the provisions of this act shall become effective upon reenactment of the Washington Metropolitan Area Transit Authority Compact of 1966, codified as Chapter 31 (§ 33.2-3100) of Title 33.2 of the Code of Virginia.

3. That, as of the effective date of this act, the Northern Virginia Transportation Authority shall be deemed successor in interest to the Northern Virginia Transportation Commission to the extent that this act transfers powers and duties. All right, title, and interest in and to real or tangible

982 personal property vested in the Northern Virginia Transportation Commission to the extent that
983 this act transfers powers and duties as of the effective date of this act shall be transferred and
984 taken as standing in the name of the Northern Virginia Transportation Authority.

INTRODUCED

HB723