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HOUSE BILL NO. 22

Offered January 8, 2020

Prefiled November 19, 2019

A BILL to amend and reenact § 10.1-603.25 of the Code of Virginia, relating to Virginia Shoreline Resiliency Fund; grant program.

Patrons—Lindsey, Convirs-Fowler and Keam

Referred to Committee on Agriculture, Chesapeake and Natural Resources

Be it enacted by the General Assembly of Virginia:

1. That § 10.1-603.25 of the Code of Virginia is amended and reenacted as follows:

§ 10.1-603.25. Virginia Shoreline Resiliency Fund.

There shall be set apart a permanent and perpetual fund, to be known as the Virginia Shoreline Resiliency Fund, consisting of such sums that may be appropriated to the Fund by the General Assembly, ~~all receipts by the Fund from loans made by it to local governments,~~ all income from the investment of moneys held in the Fund, and any other sums designated for deposit to the Fund from any source, public or private. The Fund shall be administered by the Department as prescribed in this article. The Department shall establish guidelines regarding the distribution of ~~loans~~ *grants* from the Fund ~~and prioritization of such loans~~ *to localities*. The Authority shall manage the Fund and shall establish ~~interest rates and repayment~~ terms of such ~~loans~~ *grants* as provided in this article. The Authority may disburse from the Fund its reasonable costs and expenses incurred in the management of the Fund.

Localities shall use ~~moneys~~ *grants* from the Fund primarily for the purpose of creating ~~a low-interest loan program~~ *cost-sharing programs* to help residents and businesses that are subject to recurrent flooding as confirmed by a locality-certified floodplain manager. Moneys in the Fund may be used to mitigate future flood damage.

~~Any locality is authorized to secure a loan made through such a low-interest loan program by placing a lien up to the value of the loan against any property that benefits from the loan. Such a lien shall be subordinate to each prior lien on such property, except prior liens for which the prior lienholder executes a written subordination agreement, in a form and substance acceptable to the prior lienholder in its sole and exclusive discretion, that is recorded in the land records where the property is located.~~

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