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HOUSE BILL NO. 2579

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Appropriations
on January 30, 1997)

(Patron Prior to Substitute—Delegate Robinson)

A BILL to amend and reenact § 14.1-125.2 of the Code of Virginia, to amend and reenact the second enactment of Chapter 431 of the 1996 Acts of Assembly, and to provide for a task force to develop plans to upgrade land-records management technology, all relating to fees assessed by circuit court clerks for information technology.

Be it enacted by the General Assembly of Virginia:

1. That § 14.1-125.2 of the Code of Virginia is amended and reenacted as follows:

§ 14.1-125.2. Additional fee to be assessed by circuit court clerks for information technology.

A. In addition to the fees otherwise authorized by this chapter, the clerk of each circuit court shall assess a three-dollar fee, known as the "Technology Trust Fund Fee," in each law and chancery action, upon each instrument to be recorded in the deed books, and upon each judgment to be docketed in the judgment lien docket book. Such fee shall be deposited by the State Treasurer into a trust fund. The State Treasurer shall maintain a record of such deposits.

B. Two dollars of every three-dollar fee shall be allocated by the Compensation Board from the trust fund for the purposes of: (i) obtaining office *automation* and information technology equipment, including software and, conversion services; ~~(ii) preserving, maintaining and enhancing court records, including, but not limited to, the costs of repairs, maintenance, service contracts and system upgrades; which may include, but not necessarily be limited to, a digital imaging system and~~ (ii) improving public access to court records. The Compensation Board in consultation with the circuit court clerks shall develop policies governing the allocation of funds for these purposes. In allocating funds, the Compensation Board shall consider the current automation of the clerks' offices and the recommendations made in ~~any study conducted~~ *the 1996 reports* by the Department of Information Technology (the "Department") and the Joint Legislative Audit and Review Commission ("JLARC") regarding automation of the circuit court clerks' offices. *Except for improvements as provided in subsection E, such policies shall require a clerk to submit to the Compensation Board a written certification from the Department that the clerk's proposed technology improvements will be compatible with a statewide land-records system, including remote access, in accordance with the recommendations of the Department, JLARC, and the Task Force on Land Records Management (the "Task Force") established by the Council on Information Management.*

The annual budget submitted by each circuit court clerk pursuant to § 14.1-50 ~~shall~~ *may* include a request for technology improvements in the upcoming fiscal year to be allocated by the Compensation Board from the trust fund. Such request shall not exceed the deposits into the trust fund credited to that locality. The Compensation Board shall allocate the funds requested by the clerks in an amount not to exceed the deposits into the trust fund credited to their respective localities.

C. The remaining one dollar of each such fee ~~shall~~ *may* be allocated by the Compensation Board from the trust fund for the purposes of (i) funding studies by the Department ~~to design a remote-access system, accessible to end-users on a uniform, statewide basis, which interfaces with the multiple systems used by the circuit court clerks' offices, to determine uniform, statewide implementation strategies, and allocations to circuit court clerks and a budget for the remote-access system and to establish guidelines for additional fees, such as hook-up fees, connect-time charges, and transaction fees, to be charged by the circuit court clerks for such remote access; and~~ (ii) implementing the remote-access system developed by the Department pursuant to its study. In conducting its study, the Department shall receive input from circuit court clerks, attorneys, bankers, appraisers, title companies, realtors, and other end-users of such instruments and judgments ~~or the Task Force;~~ (ii) funding studies by the Department or other public or private organizations to develop individual land-records automation plans for individual circuit court clerks' offices; and (iii) implementing the plan to modernize land records on a statewide basis and provide remote access to land records throughout the Commonwealth.

D. Such fee shall not be assessed to any instrument to be recorded in the deed books nor any judgment to be docketed in the judgment lien docket books tendered by any federal, state or local government.

E. Notwithstanding any other provisions of this chapter, each circuit court clerk may apply to the Compensation Board for an allocation from the Technology Trust Fund for automation and technology improvements for: (i) equipment and services to convert paper, microfilm, or similar documents to a digital image format, or (ii) the law and chancery division of his office, or (iii) both. However, allocations for (ii) above shall not exceed the pro rata share of the collections of the three-dollar fee

60 *relative to the chancery and law actions filed in the jurisdiction as provided in this section.*

61 ~~E.~~ F. Information regarding the technology programs adopted by the circuit court clerks shall be
62 shared with the Department of Information Technology, the State Library of Virginia, and the Office of
63 the Executive Secretary of the Supreme Court.

64 ~~F.~~ G. Nothing in this section shall be construed to diminish the duty of local governing bodies to
65 furnish supplies and equipment to the clerks of the circuit courts pursuant to § 15.1-19. Revenue raised
66 as a result of this section shall in no way supplant current funding to circuit court clerks' offices by
67 local governing bodies.

68 **2. That the second enactment of Chapter 431 of the 1996 Acts of Assembly is amended and**
69 **reenacted as follows:**

70 2. That the provisions of this act shall expire on July 1, ~~1997~~1998.

71 **3. § 1. The Director of the Council on Information Management shall establish the Task Force on Land**
72 **Records Management (the "Task Force"). The Task Force shall develop a plan to modernize land**
73 **records on a statewide basis and provide remote access to land records throughout the Commonwealth.**
74 *The Director shall appoint to the Task Force such circuit court clerks; commissioners of the revenue;*
75 *land-records users from local governments; other users of land records such as real estate attorneys,*
76 *real estate brokers and salespersons, title examiners, and land surveyors; and staff of the Supreme*
77 *Court of Virginia, Department of Information Technology, Library of Virginia, and Compensation*
78 *Board, as may be determined by the Director.*

79 § 2. *The Task Force shall submit an interim report to the Governor and the Chairmen of the House*
80 *Appropriations and Senate Finance Committees by September 1, 1997, which report operationally shall*
81 *define the concept of land-records management and make recommendations regarding the format,*
82 *content, and technology standards for land records.*

83 § 3. *The Task Force shall submit a final report to the Governor and the Chairmen of the House*
84 *Appropriations and Senate Finance Committees by January 1, 1998, which report shall include an*
85 *inventory of automated land-records technology in circuit court clerks' offices, provide recommendations*
86 *for the future automation of land records, recommend policies for the Compensation Board to follow in*
87 *allocating funds appropriated from the Technology Trust Fund, and address user fees charged for*
88 *access to land records.*

89 § 4. *The Compensation Board may contract with the Department of Information Technology to*
90 *prepare, at the request of the respective circuit court clerk, individual land-records automation plans for*
91 *each circuit court clerk's office. Such plans shall be developed in concert with the findings and*
92 *recommendations of the Task Force. Each plan shall address the extent of technology in each office;*
93 *establish objectives to allow for optical disk imaging and the automated and remote access to land*
94 *records; identify actions to achieve the objectives; and provide recommendations as to the appropriate*
95 *equipment and services necessary to facilitate these actions, and their associated costs and*
96 *implementation schedules.*

97 **4. Except as permitted in subsection E of § 14.1-125.2 on the effective date of this act, the**
98 **Compensation Board shall not allocate funds from the Technology Trust Fund prior to May 1,**
99 **1998.**