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HOUSE BILL NO. 1133

Offered January 26, 1998

A BILL to amend and reenact § 58.1-3713.01 of the Code of Virginia, relating to distribution of local coal and gas road improvement tax.

Patron—Phillips

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:**1. That § 58.1-3713.01 of the Code of Virginia is amended and reenacted as follows:**

§ 58.1-3713.01. Distribution of local coal and gas road improvement tax for water projects applicable to the additional one-fourth allocation.

The governing body of any county or city imposing a local coal and gas road improvement tax which is authorized by subsection A of § 58.1-3713 to use an additional one-fourth of the revenue from such tax to fund the construction of new or enhanced water projects shall develop and adopt by resolution an annual plan for such water projects and, during the following fiscal year, develop an annual plan for the funding of such water projects in areas in its county or city where natural water supplies are insufficient from the standpoint of quality or quantity. Plans shall establish a priority for funding water projects in such city or county. Consideration for funding shall be given to (i) replacing water supplies lost due to mining activities and providing emergency water services to areas that have lost water due to mining activities; (ii) preserving water supplies that are jeopardized due to permitted mining which is occurring or is near commencement; (iii) facilitating development of water projects which will promote diversified industrial development; and (iv) increasing the capacity of publicly owned water treatment or supply facilities. All water suppliers for the county or city shall be included in developing such a plan.

Plans shall encourage the development of regional water projects. "Regional water project" means a project involving two or more public water service providers located in the same or neighboring political subdivisions. In order to promote cost savings and economic development, funding may be provided for regional water projects as provided in this section. If a regional water project encompasses an area for which plans are developed by two or more local governing bodies, the project shall not be funded unless it is agreed to by all of the affected local governing bodies.

A county or city shall not expend local coal and gas road improvement tax revenue for water projects in a manner that is inconsistent with the priority for funding set forth in an approved plan.

INTRODUCED

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