

# 1998 SPECIAL SESSION I

INTRODUCED

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## HOUSE BILL NO. 4003

Offered April 23, 1998

Prefiled April 22, 1998

A *BILL to amend and reenact §§ 2.1-155, 22.1-146, 22.1-148, 22.1-153, 22.1-163, 22.1-165, 22.1-166.2, 22.1-175.1, 22.1-175.2, 22.1-175.3, 46.2-208, 46.2-623, 58.1-3912, 58.1-4020 and 58.1-4022 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 15.2-1636.1, by adding in Chapter 11.1 of Title 22.1 sections numbered 22.1-175.4, 22.1-175.5 and 22.1-175.6, by adding in Title 58.1 a chapter numbered 35.1, consisting of sections numbered 58.1-3523 through 58.1-3536, and by adding a section numbered 58.1-3916.01, relating to the Omnibus Prosperity Act of 1998.*

Patrons—Jackson, Rhodes, Barlow, Baskerville, Bennett, Bloxom, Bryant, Christian, Clement, Cranwell, Deeds, Diamonstein, Grayson, Hall, Hamilton, Hargrove, Jones, D.C., McEachin, Melvin, Moran, Murphy, Parrish, Phillips, Plum, Shuler, Spruill, Stump, Tate, Thomas, Van Landingham and Van Yahres; Senators: Colgan, Couric, Edwards, Howell, Lambert, Lucas, Marsh, Reasor, Reynolds and Ticer

Referred to Committee on Finance

Whereas, the General Assembly desires to promote the prosperity of the Commonwealth's citizens; and

Whereas, the General Assembly realizes the importance of quality education for the school children of the Commonwealth in promoting the prosperity of the Commonwealth's citizens; and

Whereas, the General Assembly recognizes that more disposable income in the pockets of the citizens is important in promoting the prosperity of the Commonwealth's citizens; and

Whereas, it is the intent of the General Assembly to promote the prosperity of the citizens of the Commonwealth by providing grants for public school construction and tax relief; now, therefore,

### Be it enacted by the General Assembly of Virginia:

1. That §§ 2.1-155, 22.1-146, 22.1-148, 22.1-153, 22.1-163, 22.1-165, 22.1-166.2, 22.1-175.1, 22.1-175.2, 22.1-175.3, 46.2-208, 46.2-623, 58.1-3912, 58.1-4020 and 58.1-4022 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered 15.2-1636.1, by adding in Chapter 11.1 of Title 22.1 sections numbered 22.1-175.4, 22.1-175.5 and 22.1-175.6, by adding in Title 58.1 a chapter numbered 35.1, consisting of sections numbered 58.1-3523 through 58.1-3536, and by adding a section numbered 58.1-3916.01 as follows:

§ 2.1-155. Duties and powers generally.

The Auditor of Public Accounts shall audit all the accounts of every state department, officer, board, commission, institution or other agency in any manner handling state funds. In the performance of such duties and the exercise of such powers he may employ the services of certified public accountants, provided the cost thereof shall not exceed such sums as may be available out of the appropriation provided by law for the conduct of his office. *As part of his normal oversight responsibilities, the Auditor of Public Accounts shall incorporate into his audit procedures and processes a review process to ensure that the Commonwealth's payments for qualifying vehicles, as defined in § 58.1-3523, are consistent with the provisions of §§ 58.1-3525 and 58.1-3526. The Auditor of Public Accounts shall report to the Governor and the Chairmen of the Senate Finance Committee, the House Appropriations Committee, and the House Finance Committee annually any material failure by a locality or the Commonwealth to comply with the provisions of Chapter 35.1 (§ 58.1-3523 et seq.) of Title 58.1.*

If the Auditor of Public Accounts shall at any time discover any unauthorized, illegal, irregular, or unsafe handling or expenditure of state funds, or if at any time it shall come to his knowledge that any unauthorized, illegal, or unsafe handling or expenditure of state funds is contemplated but not consummated, in either case he shall forthwith lay the facts before the Governor, the Joint Legislative Audit and Review Commission and the Comptroller.

In compliance with the provisions of the federal Single Audit Act of 1984, Public Law 98-502, the Joint Legislative Audit and Review Commission may authorize the Auditor of Public Accounts to biennially audit the accounts pertaining to federal funds received by state departments, officers, boards, commissions, institutions or other agencies.

§ 15.2-1636.1. *Payments to localities under the Personal Property Tax Relief Act of 1998.*

*Localities shall be reimbursed for the administrative costs associated with the implementation of Chapter 35.1 (§ 58.1-3523 et seq.) of Title 58.1. The Compensation Board shall approve and reimburse such costs that it deems fair and reasonable. The manner of submitting and preparing estimates for such*

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60 *costs and for reimbursements shall be as directed by the Compensation Board.*

61 § 22.1-146. Power of Board to make loans from fund for erection, etc., of school buildings and  
62 fueling facilities for school buses.

63 The Board of Education may make loans or, subject to the approval of the General Assembly, loan  
64 interest rate subsidy payments from the Literary Fund to the school boards of the several school  
65 divisions making application therefor in the manner prescribed by law for the ~~purpose~~purposes of (i) ~~of~~  
66 *funding part or all of the costs for erecting, ~~altering~~renovating, retrofitting or enlarging school buildings*  
67 in such school divisions; (ii) ~~for~~ purchasing and installing educational technology equipment and  
68 infrastructure; (iii) ~~for~~ equipping school buses for alternative fuel conversions and ~~for construction of~~  
69 *constructing* school bus fueling facilities for supplying compressed natural gas or other alternative fuels;  
70 and (iv) ~~for the refinancing or redemption of~~redeeming negotiable notes, bonds, and other evidences of  
71 indebtedness or obligations incurred by a locality on behalf of a school division which has an  
72 application for a Literary Fund loan for an approved school project pending before the Board of  
73 Education. For the ~~purpose~~ purposes of this section, "alternative fuels" means motor fuels other than  
74 gasoline and diesel fuel.

75 § 22.1-148. Restrictions upon making loans; retirement of previous loans.

76 A. No loan from the Literary Fund shall exceed 100% *percent* of the cost of the building, addition  
77 thereto, and site on account of which such loan is made. No loan shall be made from the Literary Fund  
78 to aid in the erection of a building or addition to cost less than \$500. Whenever a loan is made from the  
79 Literary Fund for the purpose of enlarging a building, any part of the proceeds of such loan may, in the  
80 discretion of the Board, be used to retire any previous loan or loans on such building although not  
81 matured at the time of such additional loan. No loan shall be made from the Literary Fund in any case  
82 in which the payment of same with interest would, in the judgment of the Board of Education, entail too  
83 heavy a charge upon the revenues of the county, city or town comprising the school division to which  
84 such loan is granted. The Board may refuse to make any loan from the Literary Fund to any school  
85 board which is in default in the payment of any part of the principal of any previous loan from the  
86 Literary Fund or which for the two years next preceding the loan has been more than six months in  
87 default in the payment of interest due on any loan from the Literary Fund.

88 B. Any school division which has an application for a Literary Fund loan for an approved school  
89 project pending before the Board of Education shall not be denied or delayed in obtaining such loan  
90 solely for the reason that alternative financing had been obtained to begin or complete construction on  
91 such project.

92 C. *An application for a Literary Fund loan for part or all of the costs of construction for a school*  
93 *building shall not be denied or delayed solely because a grant pursuant to the Virginia Public School*  
94 *Construction Grants Program established under Chapter 11.1 (§ 22.1-175.1 et seq.) of this title has been*  
95 *submitted or granted.*

96 § 22.1-153. School boards authorized to borrow from Fund; form of application.

97 A. The school boards of the several school divisions are authorized to borrow money belonging to  
98 the Literary Fund, and any school board desiring to borrow from the Fund shall make written  
99 application to the Board of Education for such loan on a form to be prescribed by the Board.

100 B. *School boards may apply for, on such forms as the Board may prescribe, a loan to fund part or*  
101 *all of the costs of erecting, renovating, retrofitting or enlarging school buildings while simultaneously*  
102 *applying for a grant to fund part of such construction pursuant to Chapter 11.1 (§ 22.1-175.1 et seq.) of*  
103 *this title. The school board shall note, in its Literary Fund loan application, that the grant application*  
104 *has been submitted. In no case shall the total funding through a Literary Fund loan and a grant equal*  
105 *more than 100 percent of the costs of a construction project.*

106 § 22.1-163. Authority created; public body corporate and agency of State.

107 The Virginia Public School Authority is created as a public body corporate ~~and as a political~~  
108 ~~subdivision~~ and an agency and instrumentality of the Commonwealth.

109 § 22.1-165. Management and administration of moneys, etc., transferred from Literary Fund.

110 The Authority shall manage and administer as provided in this chapter all moneys or obligations that  
111 may be set aside and transferred to it from the principal of the Literary Fund by the General Assembly  
112 for public school purposes pursuant to Article VIII, Section 8 of the Constitution of Virginia and any  
113 funds authorized by the General Assembly from the Literary Fund, *the Virginia Public School*  
114 *Construction Grants Fund established in § 22.1-175.2* or otherwise appropriated by the General  
115 Assembly for public school purposes.

116 § 22.1-166.2. Grants to local school boards.

117 A. The Authority is authorized to make grants of money, from any of the funds of the Authority  
118 available for such purpose, to local school boards for the purchase of capital projects for school  
119 purposes.

120 B. *From such funds as may be appropriated for this purpose and any funds deposited to the Virginia*  
121 *Public School Construction Grants Fund established in § 22.1-175.2, the Authority is also empowered to*

distribute grants of money pursuant to the provisions of the Virginia Public School Construction Grants Program established under Chapter 11.1 (§ 22.1-175.1 et seq.) of this title, upon the approval of such grants by the Board of Education.

§ 22.1-175.1. Virginia Public School Construction Grants Program established.

The Virginia Public School Construction Grants Program is hereby established to provide grants to eligible school divisions for school construction, additions, renovations, including the costs of retrofitting or enlarging public school buildings, infrastructure and site acquisition for such public school buildings and facilities or, if a school division has completed any such projects during the previous ten years, the grants may be used for debt service payments, or a portion thereof. The Program shall be administered by the Board of Education and the Virginia Public School Authority.

§ 22.1-175.2. Virginia Public School Construction Grants Fund created.

A. From such funds as may be appropriated for this purpose and from such gifts, donations, grants, bequests, and other funds as may be received on its behalf by the Virginia Public School Authority, there is hereby created in the Department of the Treasury a special nonreverting fund known as the Virginia Public School Construction Grants Fund. The Fund shall be established on the books of the Comptroller, and any moneys remaining in such Fund at the end of the 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 eligible school division that has been awarded financial assistance pursuant to the provisions of this chapter.

B. The Department of the Treasury State Treasurer shall administer and manage the Virginia Public School Construction Fund, subject to the authority of the Board of Education to provide for its disbursement. The criteria for and to award grants for public school construction consistent with the provisions of §§ 22.1-175.4 and 22.1-175.5. The Fund shall be disbursed by the Virginia Public School Authority to award school boards to which the Board awards grants as determined by eligibility and needs criteria established by the Board in accordance with the provisions of §§ 22.1-175.4 and 22.1-175.5. The amount of each grant awarded to a qualifying school division shall not exceed 100 percent of the cost of construction, renovation, retrofitting, additions, or site acquisition for public school buildings or facilities, less the appropriate local match.

C. The amount of such public school construction grants shall be matched by funds of the qualifying school division based on the locality's composite index of ability to pay. In awarding such grants, the Board shall take into consideration any Literary Fund loan which may have been applied for or awarded for the same projects.

§ 22.1-175.3. Board to issue guidelines.

The Board shall issue guidelines governing the Program as it may deem necessary and appropriate. The guidelines shall include, but shall not be limited to, provisions which address the following: approval by the local governing body of the construction, addition, renovation, including retrofitting and enlarging public school buildings, or site acquisition for public school buildings and facilities, or if a school division has completed any such projects during the previous ten years, debt service payments, or a portion thereof, for which grant moneys are sought and of the application for a grant from the Fund pursuant to § 22.1-175.4; eligibility criteria for school divisions demonstrating need based on local ability to pay for public school construction; eligibility criteria for school divisions demonstrating need based on population growth rates and the availability and pledge of local matching funds; and procedures for determining priority for awarding grants to qualifying school divisions.

§ 22.1-175.4. Application for grants.

The local school boards seeking a grant in accordance with this chapter shall make written application to the Department. The application shall contain information indicating the school division's eligibility to receive grant funds. Eligibility shall be based on meeting one or more of the following criteria:

1. The school division has been approved for a Literary Fund loan for a capital school project;
2. The school division has received or been notified of an appropriation of a local match grant by the governing body of the locality for capital school projects that are documented in a long-range capital outlay plan; or
3. The governing body or school division is currently making debt service payments for a capital school project which was completed in the previous ten years.

Upon meeting one or more of the criteria, the Department shall distribute grants pursuant to the allocations set forth in § 22.1-175.5.

§ 22.1-175.5. Allocations of grants.

Grants shall be allocated and distributed annually to school divisions in accordance with the following: (i) fifty percent of the available grant funds shall be allocated and distributed equally to each school division and (ii) fifty percent of the available grant funds shall be allocated and distributed to each school division on a pro rata basis according to the school division's average daily membership

183 *adjusted by the locality's composite index.*

184 *§ 22.1-175.6. Capital School Projects Fund.*

185 *A. The governing body of each locality which is awarded a grant pursuant to § 22.1-175.4 shall*  
186 *authorize the local treasurer or fiscal officer, by ordinance or resolution, to create a separate fund upon*  
187 *the books of the locality, as hereinafter described. Upon the adoption of such ordinance or resolution,*  
188 *the treasurer of the locality shall place such grant awards into this fund.*

189 *B. The fund shall be known as the "County/City/Town of \_\_\_\_\_ Capital School Projects Fund." All*  
190 *principal placed into the fund, together with all income from or attributable to the fund, shall be used*  
191 *solely for (i) the purposes of construction, additions, renovations including retrofitting and enlarging*  
192 *public school buildings, infrastructure and site acquisition for public school buildings and facilities or*  
193 *(ii) debt service payments, or a portion thereof, for any such projects completed in the previous ten*  
194 *years. No disbursement from the fund may be made except upon specific appropriation by the governing*  
195 *body in accordance with applicable law. Any amounts appropriated from the fund shall be matched with*  
196 *funds of the locality based upon the composite index of ability to pay. In no event shall more than ten*  
197 *percent of a locality's initial grant be used for previously incurred debt in any one year, unless a waiver*  
198 *is granted by the Board of Education based on good cause shown.*

199 *C. All grant awards placed into the fund, including all income from or attributable to such fund,*  
200 *shall be deemed public funds of the locality and shall be subject to all limitations upon deposit and*  
201 *investment provided by general law, including the Virginia Security for Public Deposits Act (§ 2.1-359*  
202 *et seq.). Income, dividends, distributions and grants accruing to the fund shall be retained in such fund*  
203 *and shall be expended only in accordance with the terms of this section.*

204 *D. Nothing in this section shall be deemed or construed to authorize a school board or school*  
205 *division to receive, hold or invest funds in its own name, nor to expend funds in the absence of a*  
206 *specific appropriation by the governing body of the locality in accordance with applicable law.*

207 *§ 46.2-208. Records of Department; when open for inspection; release of privileged information.*

208 *A. All records in the office of the Department containing the specific classes of information outlined*  
209 *below shall be considered privileged records:*

- 210 1. *Personal information, including all data defined as "personal information" in § 2.1-379;*  
211 2. *Driver information, including all data that relates to driver's license status and driver activity; and*  
212 3. *Vehicle information, including all descriptive vehicle data and title, registration, and vehicle*  
213 *activity data.*

214 *B. The Commissioner shall release such information only under the following conditions:*

- 215 1. *Notwithstanding other provisions of this section, medical data included in personal data shall be*  
216 *released only to a physician as provided in § 46.2-322.*

- 217 2. *Insurance data may be released as specified in §§ 46.2-372, 46.2-380, and 46.2-706.*

- 218 3. *Notwithstanding other provisions of this section, information disclosed or furnished shall be*  
219 *assessed a fee as specified in § 46.2-214.*

- 220 4. *When the person requesting the information is (i) the subject of the information, (ii) the parent or*  
221 *guardian of the subject of the information, (iii) the authorized representative of the subject of the*  
222 *information, or (iv) the owner of the vehicle that is the subject of the information, the Commissioner*  
223 *shall provide him with the requested information and a complete explanation of it. Requests for such*  
224 *information need not be made in writing or in person and may be made orally or by telephone, provided*  
225 *that the Department is satisfied that there is adequate verification of the requester's identity. When so*  
226 *requested in writing by (i) the subject of the information, (ii) the parent or guardian of the subject of the*  
227 *information, (iii) the authorized representative of the subject of the information, or (iv) the owner of the*  
228 *vehicle that is the subject of the information, the Commissioner shall verify and, if necessary, correct the*  
229 *personal information provided and furnish driver and vehicle information in the form of an abstract of*  
230 *the record.*

- 231 5. *On the written request of any insurance carrier, surety, or representative of an insurance carrier or*  
232 *surety, the Commissioner shall furnish such insurance carrier, surety, or representative an abstract of the*  
233 *record of any person subject to the provisions of this title. The abstract shall include any record of any*  
234 *conviction of a violation of any provision of any statute or ordinance relating to the operation or*  
235 *ownership of a motor vehicle or of any injury or damage in which he was involved and a report of*  
236 *which is required by § 46.2-372. No such report of any conviction or accident shall be made after sixty*  
237 *months from the date of the conviction or accident unless the Commissioner or court used the*  
238 *conviction or accident as a reason for the suspension or revocation of a driver's license or driving*  
239 *privilege, in which case the revocation or suspension and any conviction or accident pertaining thereto*  
240 *shall not be reported after sixty months from the date that the driver's license or driving privilege has*  
241 *been reinstated. This abstract shall not be admissible in evidence in any court proceedings.*

- 242 6. *On the written request of any business organization or its agent, in the conduct of its business, the*  
243 *Commissioner shall compare personal information supplied by the business organization or agent with*  
244 *that contained in the Department's records and, when the information supplied by the business*

organization or agent is different from that contained in the Department's records, provide the business organization or agent with correct information as contained in the Department's records. Personal information provided under this subdivision shall be used solely for the purpose of pursuing remedies which require locating an individual.

7. The Commissioner shall provide vehicle information to any business organization or agent on such business' or agent's written request. Disclosures made under this subdivision shall not include any personal information and shall not be subject to the limitations contained in subdivision 6 of this subsection.

8. On the written request of any motor vehicle rental or leasing company or its designated agent, the Commissioner shall (i) compare personal information supplied by the company or agent with that contained in the Department's records and, when the information supplied by the company or agent is different from that contained in the Department's records, provide the company or agent with correct information as contained in the Department's records and (ii) provide the company or agent with driver information in the form of an abstract of any person subject to the provisions of this title. Such abstract shall include any record of any conviction of a violation of any provision of any statute or ordinance relating to the operation or ownership of a motor vehicle or of any injury or damage in which the subject of the abstract was involved and a report of which is required by § 46.2-372. No such abstract shall include any record of any conviction or accident more than sixty months after the date of such conviction or accident unless the Commissioner or court used the conviction or accident as a reason for the suspension or revocation of a driver's license or driving privilege, in which case the revocation or suspension and any conviction or accident pertaining thereto shall cease to be included in such abstract after sixty months from the date on which the driver's license or driving privilege was reinstated. No abstract released under this subdivision shall be admissible in evidence in any court proceedings.

9. On the request of any federal, state, or local governmental entity, law-enforcement officer, attorney for the Commonwealth, ~~or~~ court, *or the authorized agent of any of the foregoing*, the Commissioner shall (i) compare personal information supplied by the governmental entity, officer, attorney for the Commonwealth, ~~or~~ court, *or the authorized agent of any of the foregoing*, with that contained in the Department's records and, when the information supplied by the governmental entity, officer, attorney for the Commonwealth, ~~or~~ court, *or the authorized agent of any of the foregoing*, is different from that contained in the Department's records, provide the governmental entity, officer, attorney for the Commonwealth, ~~or~~ court, *or the authorized agent of any of the foregoing*, with correct information as contained in the Department's records and (ii) provide driver and vehicle information in the form of an abstract of the record showing all convictions, accidents, driver's license suspensions or revocations, and other appropriate information as the governmental entity, officer, attorney for the Commonwealth, ~~or~~ court, *or the authorized agent of any of the foregoing*, may require in order to carry out its official functions.

10. On request of the driver licensing authority in any other state or foreign country, the Commissioner shall provide whatever classes of information the requesting authority shall require in order to carry out its official functions.

11. On the written request of any employer, prospective employer, or authorized agent of either, and with the written consent of the individual concerned, the Commissioner shall (i) compare personal information supplied by the employer, prospective employer, or agent with that contained in the Department's records and, when the information supplied by the employer, prospective employer, or agent is different from that contained in the Department's records, provide the employer, prospective employer, or agent with correct information as contained in the Department's records and (ii) provide the employer, prospective employer, or agent with driver information in the form of an abstract of an individual's record showing all convictions, accidents, driver's license suspensions or revocations, and any type of driver's license that the individual currently possesses, provided that the individual's position or the position that the individual is being considered for involves the operation of a motor vehicle.

12. On the written request of any member of or applicant for membership in a volunteer fire company or volunteer rescue squad, the Commissioner shall (i) compare personal information supplied by the volunteer fire company or volunteer rescue squad with that contained in the Department's records and, when the information supplied by the volunteer fire company or volunteer rescue squad is different from that contained in the Department's records, provide the volunteer fire company or volunteer rescue squad with correct information as contained in the Department's records and (ii) provide driver information in the form of an abstract of the member's or applicant's record showing all convictions, accidents, license suspensions or revocations, and any type of driver's license that the individual currently possesses. Such abstract shall be provided free of charge if the request is accompanied by appropriate written evidence that the person is a member of or applicant for membership in a volunteer fire company or volunteer rescue squad and the abstract is needed by a volunteer fire company or volunteer rescue squad to establish the qualifications of the member or applicant to operate equipment

306 owned by the volunteer fire company or volunteer rescue squad.

307 13. On the written request of any person who has applied to be a volunteer with a Virginia affiliate  
308 of Big Brothers/Big Sisters of America, the Commissioner shall (i) compare personal information  
309 supplied by a Virginia affiliate of Big Brothers/Big Sisters of America with that contained in the  
310 Department's records and, when the information supplied by a Virginia affiliate of Big Brothers/Big  
311 Sisters of America is different from that contained in the Department's records, provide the Virginia  
312 affiliate of Big Brothers/Big Sisters of America with correct information as contained in the  
313 Department's records and (ii) provide driver information in the form of an abstract of the applicant's  
314 record showing all convictions, accidents, license suspensions or revocations, and any type of driver's  
315 license that the individual currently possesses. Such abstract shall be provided free of charge if the  
316 request is accompanied by appropriate written evidence that the person has applied to be a volunteer  
317 with a Virginia affiliate of Big Brothers/Big Sisters of America.

318 14. On the written request of any person who has applied to be a volunteer with a court-appointed  
319 special advocate program pursuant to § 9-173.8, the Commissioner shall provide an abstract of the  
320 applicant's record showing all convictions, accidents, license suspensions or revocations, and any type of  
321 driver's license that the individual currently possesses. Such abstract shall be provided free of charge if  
322 the request is accompanied by appropriate written evidence that the person has applied to be a volunteer  
323 with a court-appointed special advocate program pursuant to § 9-173.8.

324 15. Upon the request of any employer, prospective employer, or authorized representative of either,  
325 the Commissioner shall (i) compare personal information supplied by the employer, prospective  
326 employer, or agent with that contained in the Department's records and, when the information supplied  
327 by the employer, prospective employer, or agent is different from that contained in the Department's  
328 records, provide the employer, prospective employer, or agent with correct information as contained in  
329 the Department's records and (ii) provide driver information in the form of an abstract of the driving  
330 record of any individual who has been issued a commercial driver's license, provided that the  
331 individual's position or the position that the individual is being considered for involves the operation of  
332 a commercial motor vehicle. Such abstract shall show all convictions, accidents, license suspensions,  
333 revocations, or disqualifications, and any type of driver's license that the individual currently possesses.

334 16. Upon the receipt of a completed application and payment of applicable processing fees, the  
335 Commissioner may enter into an agreement with any governmental authority or business to exchange  
336 information specified in this section by electronic or other means.

337 17. Upon the request of an attorney representing a person in a motor vehicle accident, the  
338 Commissioner shall provide vehicle information, including the owner's name and address, to the  
339 attorney.

340 18. Upon the request, in the course of business, of any authorized representative of an insurance  
341 company or of any not-for-profit entity organized to prevent and detect insurance fraud, the  
342 Commissioner shall provide all vehicle information, including the owner's name and address, descriptive  
343 data and title, registration, and vehicle activity data to such person.

344 19. Upon the request of an officer authorized to issue criminal warrants, for the purpose of issuing a  
345 warrant for arrest for unlawful disposal of trash or refuse in violation of § 33.1-346, the Commissioner  
346 shall provide vehicle information, including the owner's name and address.

347 20. Upon written request of the compliance agent of a private security services business, as defined  
348 in § 9-183.1, which is licensed by the Department of Criminal Justice Services, the Commissioner shall  
349 provide the name and address of the owner of the vehicle under procedures determined by the  
350 Commissioner.

351 C. Whenever the Commissioner issues an order to suspend or revoke the driver's license or driving  
352 privilege of any individual, he may notify the National Driver Register Service operated by the United  
353 States Department of Transportation and any similar national driver information system and provide  
354 whatever classes of information the authority may require.

355 D. Accident reports may be inspected under the provisions of §§ 46.2-379 and 46.2-380.

356 E. Whenever the Commissioner takes any licensing action pursuant to the provisions of the Virginia  
357 Commercial Driver's License Act (§ 46.2-341.1 et seq.), he may provide information to the Commercial  
358 Driver License Information System, or any similar national commercial driver information system,  
359 regarding such action.

360 F. In addition to the foregoing provisions of this section, vehicle information may also be inspected  
361 under the provisions of §§ 43-33, 43-34, 46.2-633, and 46.2-1200.1 through 46.2-1237.

362 G. The Department may promulgate regulations to govern the means by which personal, vehicle, and  
363 driver information is requested and disseminated.

364 H. Driving records of any person accused of an offense involving the operation of a motor vehicle  
365 shall be provided by the Commissioner upon request to any person acting as counsel for the accused. If  
366 such counsel is from the public defender's office or has been appointed by the court, such records shall  
367 be provided free of charge.

§ 46.2-623. Statements in application.

A. Every application for a certificate of title shall contain (i) a statement of the applicant's title and of all liens or encumbrances on the vehicle and the names and addresses of all persons having any interest in the vehicle and the nature of every interest in the vehicle. ~~The application shall also contain;~~ (ii) the Social Security number, if any, of the owner and, if the application is in the name of an employer for a business vehicle, the employer's identification number assigned by the United States Internal Revenue Service.

~~Every application for a certificate of title shall contain;~~ and (iii) a brief description of the vehicle to be registered, including the name of the maker, the vehicle identification or serial number and, when registering a new vehicle, the date of sale by the manufacturer or dealer to the person first operating the vehicle.

B. Not later than July 15, 1998, the lessor of a qualifying vehicle, as defined in § 58.1-3523, shall send a report to the Department for each such qualifying vehicle it was leasing as of July 1, 1998, and has leased between January 1, 1998, and June 30, 1998, containing (i) the name and address of the lessee as it appears in the lease contract; (ii) the social security number of the lessee; and (iii) the registration number of the vehicle as described under Article 1 (§ 46.2-600 et seq.) of Chapter 6 of Title 46.2.

C. Beginning with August 1998, such lessor shall send a monthly report to the Department, by the fifteenth day of the month or such later day as may be prescribed in the guidelines promulgated under § 58.1-3532, listing any changes, additions or deletions to the information provided under subsection B as of the last day of the preceding month.

D. The application shall contain ~~whatever~~ such additional information as may be required by the Department.

#### CHAPTER 35.1.

#### PERSONAL PROPERTY TAX RELIEF ACT OF 1998.

§ 58.1-3523. Definitions.

As used in this chapter:

"Commissioner" means the Commissioner of the Department of Motor Vehicles.

"Commissioner of the revenue" means the same as that set forth in § 58.1-3100. For purposes of this chapter, in a county or city which does not have an elected commissioner of the revenue, "commissioner of the revenue" means the officer who is primarily responsible for assessing motor vehicles for the purposes of tangible personal property taxation.

"Department" means the Department of Motor Vehicles.

"Effective tax rate" means the tax rate imposed by a locality on tangible personal property on the applicable class of tangible personal property multiplied by the assessment ratio.

"Leased" means leased by a natural person as lessee and used for nonbusiness purposes.

"Percentage level" means the percentage of the reimbursable amount to be reimbursed or paid by the Commonwealth.

"Privately owned" means owned by a natural person and used for nonbusiness purposes.

"Qualifying vehicle" means any passenger car, motorcycle, and pickup or panel truck, as those terms are defined in § 46.2-100, that is determined by the commissioner of the revenue of the county or city in which the vehicle has situs as provided by § 58.1-3511 to be (i) privately owned or (ii) leased pursuant to a contract requiring the lessee to pay the tangible personal property tax on such vehicle. In determining whether a vehicle is a qualifying vehicle, the commissioner of revenue may rely on the registration of such vehicle with the Department pursuant to Chapter 6 (§ 46.2-600 et seq.) of Title 46.2.

"Reimbursable amount" means the value of a qualifying vehicle, up to the first \$20,000 of value, multiplied by the effective tax rate in effect in the locality on August 1, 1997.

"Tangible personal property tax" means the tax levied pursuant to Article 1 (§ 58.1-3500 et seq.) of Chapter 35 of Title 58.1.

"Treasurer" means the same as that set forth in § 58.1-3123, when used herein with respect to a county or city. When used herein with respect to a town, "treasurer" means the officer who is primarily responsible for the billing and collection of tangible personal property taxes levied upon motor vehicles by such town, and means the treasurer of the county or counties in which such town is located if such functions are performed for the town by the county treasurer or treasurers.

"Used for nonbusiness purposes" means the preponderance of use is for other than business purposes. The preponderance of use for other than business purposes shall be deemed not to be satisfied if: (i) the motor vehicle is expensed on the taxpayer's federal income tax return pursuant to Internal Revenue Code § 179; (ii) more than fifty percent of the basis for depreciation of the motor vehicle is depreciated for federal income tax purposes; or (iii) the allowable expense of total annual mileage in excess of fifty percent is deductible for federal income tax purposes or reimbursed pursuant to an

429 arrangement between an employer and employee.

430 Notwithstanding the provisions of § 58.1-3532, the Tax Commissioner shall promulgate guidelines by  
 431 May 15, 1998, consistent with this section which shall be utilized by the commissioners of the revenue in  
 432 ascertaining for the purposes of this chapter whether a vehicle is used for business purposes.

433 "Value" means the fair market value determined by the method prescribed in § 58.1-3503 and used  
 434 by the locality as of August 1, 1997, in valuing the qualifying vehicle.

435 § 58.1-3524. Reimbursement of tangible personal property taxes; deduction on tangible personal  
 436 property tax bills.

437 A. For tax year 1998, the Commonwealth shall directly reimburse taxpayers, for tangible personal  
 438 property tax levies paid on any qualifying vehicle, a percentage of the reimbursable amount determined  
 439 pursuant to subdivision B 1, as provided in § 58.1-3525. For tax year 1999 and tax years thereafter, the  
 440 Commonwealth shall pay to treasurers a percentage of the reimbursable amount determined pursuant to  
 441 subdivisions B 2 through B 5 on any qualifying vehicle, as provided in § 58.1-3526.

442 B. Subject to the conditions of subsections C and D, the amount of the reimbursement to taxpayers  
 443 for tax year 1998 and the amount of the payments to treasurers for tax years after 1998 shall be 100  
 444 percent for qualifying vehicles with a value of one thousand dollars or less and for each qualifying  
 445 vehicle with a value of more than one thousand dollars shall be as follows:

Percentage Level

447 1. For any tax year beginning in	12.5 percent of the reimbursable
448 calendar year 1998	amount for each qualifying vehicle
449 2. For any tax year beginning in	27.5 percent of the reimbursable
450 calendar year 1999	amount for each qualifying vehicle
451 3. For any tax year beginning in	47.5 percent of the reimbursable
452 calendar year 2000	amount for each qualifying vehicle
453 4. For any tax year beginning in	70 percent of the reimbursable
454 calendar year 2001	amount for each qualifying vehicle
455 5. For any tax year beginning in	100 percent of the reimbursable
456 calendar year 2002 and tax	amount for each qualifying vehicle
457 years thereafter	

458  
 459 Any locality which has a tax year which begins on July 1 rather than January 1 shall be eligible for  
 460 reimbursement for the taxes paid beginning January 1, 1998, through June 30, 1998, as if such tax year  
 461 began in calendar year 1998.

462 C. Notwithstanding the schedule set forth in subsection B, the percentage level of the reimbursable  
 463 amount to be paid by the Commonwealth for each qualifying vehicle shall not be increased at the  
 464 beginning of any calendar year until the projection for the sum of general fund revenue and transfers,  
 465 as contained in the budget bill submitted by the Governor in December, indicates that the amount of  
 466 revenue growth for the fiscal year in which the calendar year begins is sufficient to pay for 200 percent  
 467 of the aggregate of the amount of additional personal property tax relief attributable to the higher  
 468 percentage level of reimbursement and general funds required to be appropriated to make payments of  
 469 principal and interest upon bonds issued by the Virginia Public School Authority pursuant to  
 470 § 22.1-175.2.

471 D. If the percentage level remains the same for consecutive tax years, the percentage level to be used  
 472 in the following tax year shall remain the same unless the projected revenue growth described in  
 473 subsection C occurs, in which event the amount to be paid by the Commonwealth for the immediately  
 474 following tax year shall be equal to the next highest percentage level listed in subsection B.

475 E. An amount equal to the percentage of the reimbursable amount as determined under subdivisions  
 476 B 2 through B 5 shall appear as a deduction on the tangible personal property tax bill for qualifying  
 477 vehicles, as provided by subsection E of § 58.1-3912.

478 1. In the event the General Assembly changes the percentage of the reimbursable amount as  
 479 described under subsection B for the current tax year and a locality has already printed its tangible  
 480 personal property tax bills for qualifying vehicles for the year that the percentage is changed, the  
 481 following procedures shall apply:

482 a. If the percentage of the reimbursable amount is decreased for the current tax year and the  
 483 taxpayer has paid the assessment, the locality may (i) levy an additional amount for the amount of the  
 484 difference between the percentage of the reimbursable amount for the tax year reflected on the original  
 485 assessment and the percentage of the reimbursable amount for the tax year as modified by the General  
 486 Assembly in the current year or (ii) carry forward the additional levy and include it on the subsequent  
 487 tax bill, provided such levy is not subject to penalty and interest.

488 b. If the percentage of the reimbursable amount is increased for the current tax year and the  
 489 taxpayer has paid the assessment, the locality shall issue a refund to the taxpayer for the amount of the



difference between the percentage of the reimbursable amount for the tax year reflected on the original assessment and the percentage of the reimbursable amount for the tax year as modified by the General Assembly in the current tax year. Such refunds shall be issued by the treasurer no later than thirty days after receipt of the payment from the Commonwealth pursuant to § 58.1-3526.

2. In the event the General Assembly changes the percentage of the reimbursable amount as described under subsection B before a locality has printed its tangible personal property tax bills for qualifying vehicles, the following procedures shall apply:

a. If the percentage of the reimbursable amount is decreased for the current tax year, the locality may adjust each taxpayer's tangible personal property tax bill to reflect the changes made by the General Assembly to the percentage of the reimbursable amount.

b. If the percentage of the reimbursable amount is increased for the current tax year, the locality shall adjust each taxpayer's tangible personal property tax bill to reflect the changes made by the General Assembly to the percentage of the reimbursable amount.

§ 58.1-3525. Reimbursement to taxpayers for tax year 1998 levies.

A. For tax year 1998 tangible personal property tax levies paid on qualifying vehicles, the Commonwealth shall reimburse to the taxpayer the amount specified in subdivision B 1 of § 58.1-3524. If such amount is less than one dollar, the Commonwealth shall not make a reimbursement to the taxpayer.

B. Reimbursements shall be made according to the following schedule:

1. The reimbursement relating to tax year 1998 levies paid by taxpayers between January 1, 1998, and June 30, 1998, shall be sent to taxpayers by United States mail on or before November 15, 1998.

a. On or before July 31, 1998, the commissioner of revenue shall certify the value of each qualifying vehicle to the treasurer of the locality. No further certification shall be required if the Commissioner has, within the certified property book provided to the treasurer pursuant to § 58.1-3118, identified each qualifying vehicle and its value, as defined in this chapter.

b. On or before August 31, 1998, the treasurer shall certify to the Department, in the manner prescribed by the Department, the amount as determined under subdivision B 1 of § 58.1-3524 to be reimbursed to each taxpayer.

c. On or before September 30, 1998, after a review of the certifications submitted by the treasurers, the Commissioner shall certify the amount to be reimbursed to each taxpayer and shall make a written request to the Comptroller for payment.

2. The reimbursement relating to tax year 1998 levies paid by taxpayers between July 1, 1998, and December 31, 1998, shall be sent to taxpayers by United States mail on or before May 15, 1999.

a. On or before January 31, 1999, the commissioner of revenue shall certify the value of each qualifying vehicle to the treasurer of the locality. No further certification shall be required if the Commissioner has, within the certified property book provided to the treasurer pursuant to § 58.1-3118, identified each qualifying vehicle and its value, as defined in this chapter.

b. On or before February 28, 1999, the treasurer shall certify to the Department, in the manner prescribed by the Department, the amount as determined under subdivision B 1 of § 58.1-3524 to be reimbursed to each taxpayer.

c. On or before March 31, 1999, after a review of the certifications submitted by the treasurers, the Commissioner shall certify the amount to be reimbursed to each taxpayer and shall make a written request to the Comptroller for payment.

3. The reimbursement relating to tax year 1998 levies paid by taxpayers after December 31, 1998, shall be sent by United States mail to taxpayers within 100 days of payment.

a. Within thirty days of receipt of payment, the treasurer shall certify to the Department, in the manner prescribed by the Department, the amount as determined under subdivision B 1 of § 58.1-3524 to be reimbursed to each taxpayer.

b. After a review of the certifications submitted by the treasurers and within thirty days of receipt of a treasurer's certification, the Commissioner shall certify the amount to be reimbursed to each taxpayer and shall make a written request to the Comptroller for payment.

4. In each instance, the treasurer shall also include the commissioner of revenue's certification along with any certification he is required to send to the Department.

C. If (i) the situs for the assessment and taxation of a qualifying vehicle, as determined pursuant to § 58.1-3511, changes in tax year 1998 and (ii) the county, city, or town in which the qualifying vehicle first had situs in tax year 1998 levied a tangible personal property tax on such vehicle for all twelve months of tax year 1998, the reimbursement under this section shall be made only for tangible personal property taxes paid to such county, city, or town.

D. Payments to taxpayers under this section shall be made by the State Treasurer on warrants issued by the Comptroller.

E. The reimbursement provided under this section for a qualifying vehicle which is leased shall be

551 *paid directly to the lessee of such vehicle.*

552 *§ 58.1-3526. Payment to treasurers for tax year 1999 and thereafter.*

553 *A. For tax year 1999 and tax years thereafter, the Commonwealth shall pay to treasurers the amount*  
554 *specified in subdivisions B 2 through B 5 of § 58.1-3524 for each qualifying vehicle, if the conditions of*  
555 *this section are satisfied.*

556 *B. As provided by subsection E of § 58.1-3912, the treasurer shall include such amount as a*  
557 *deduction on the face of tangible personal property tax bills for qualifying vehicles and shall clearly*  
558 *designate such deduction as an amount to be paid by the Commonwealth. In addition to tangible*  
559 *personal property taxes levied on property other than qualifying vehicles, the taxpayer shall pay to the*  
560 *treasurer any payment due for the difference between tangible personal property taxes levied on a*  
561 *qualifying vehicle and such deduction. Within the certified personal property tax book provided to the*  
562 *treasurer pursuant to § 58.1-3118, the commissioner of the revenue shall identify each qualifying vehicle*  
563 *and its value, as defined in this chapter.*

564 *C. Except as provided by subsection B of § 58.1-3528, upon full payment of the tangible personal*  
565 *property tax levied on a qualifying vehicle, less the amount of the deduction, as described in subsection*  
566 *B of this section, the treasurer shall make a request to the Commonwealth for payment of the amount*  
567 *equal to the amount specified in subdivisions B 2 through B 5 of § 58.1-3524 for the qualifying vehicle.*  
568 *Such request shall include a summary of the information appearing on the related tangible personal*  
569 *property tax bill. The summary information to be included in the request and the form of such request*  
570 *shall be prescribed by the Comptroller. Upon receipt of such information, the Comptroller shall issue*  
571 *the proper warrant for payment by the State Treasurer. If the Comptroller determines that a treasurer is*  
572 *unable to provide the summary information, he shall issue a warrant for payment to such treasurer in*  
573 *an amount equal to the estimate made by the Department under § 58.1-3529. Provided that the request*  
574 *for payment is received by the deadlines established and in the format prescribed by the Comptroller, he*  
575 *shall issue the warrant for payment no later than two business days after the receipt of the request from*  
576 *the treasurer.*

577 *D. 1. If a taxpayer is required to make a payment for the difference between the tangible personal*  
578 *property tax levied on a qualifying vehicle and the deduction as described in subsection B, the amount*  
579 *as determined under subdivisions B 2 through B 5 of § 58.1-3524 for such qualifying vehicle shall be*  
580 *paid by the Commonwealth to the treasurer at such times as are consistent with the treasurer's receipt*  
581 *of tangible personal property tax payments on qualifying vehicles as of January 1, 1998.*

582 *2. Except as provided in subdivision D 3, if a taxpayer is not required to return to the treasurer any*  
583 *payment of tangible personal property tax for a qualifying vehicle, the amount as determined under*  
584 *subdivisions B 2 through B 5 of § 58.1-3524 for such qualifying vehicle shall be paid by the*  
585 *Commonwealth to the treasurer over a four-week period. There shall be one equal payment in each*  
586 *week. The first payment shall be made four weeks prior to the county, city, or town's due date for*  
587 *tangible personal property taxes on qualifying vehicles as of January 1, 1998. However, the Comptroller*  
588 *shall not issue a warrant for payment unless he has received the certification described in*  
589 *§ 58.1-3916.01.*

590 *3. If (i) a taxpayer is not required to return to the treasurer any payment of tangible personal*  
591 *property tax for a qualifying vehicle and (ii) the tangible personal property tax levy on such vehicle has*  
592 *been made as authorized under § 58.1-3516, the amount as determined under subdivisions B 2 through*  
593 *B 5 of § 58.1-3524 for such qualifying vehicle shall be paid by the Commonwealth to the treasurer at*  
594 *such times as are consistent with the treasurer's receipt of tangible personal property tax payments on*  
595 *qualifying vehicles as of January 1, 1998.*

596 *E. In addition to the summary information described in subsection C, the treasurer shall provide any*  
597 *additional information related to qualifying vehicles to the Department. Such additional information*  
598 *shall be prescribed in the guidelines promulgated under § 58.1-3532.*

599 *§ 58.1-3527. Reconciliation of amounts paid to counties, cities, and towns.*

600 *For tax years 1999 and tax years thereafter, the Department and each treasurer shall reconcile the*  
601 *amount paid by the Commonwealth to such treasurer. The Department may use the information*  
602 *described in subsections C and E of § 58.1-3526 and any other source or data it deems appropriate in*  
603 *making such a reconciliation. If the Department determines that the correct amount has not been paid*  
604 *to such treasurer, the Department shall (i) for any underpayments, make a written request to the*  
605 *Comptroller to make a payment for any underpayment; or (ii) for any overpayment, direct the*  
606 *Comptroller to reduce the respective county, city, or town's next payment or payments, in the current or*  
607 *succeeding years, under § 58.1-3526 accordingly. The guidelines promulgated under § 58.1-3532 shall*  
608 *establish procedures for such reconciliations.*

609 *§ 58.1-3528. Interest; Commonwealth to make payments when taxes paid in full.*

610 *A. Payments to taxpayers and treasurers under this chapter shall not include interest.*

611 *B. The Commonwealth shall not make the reimbursement to a taxpayer, as provided under*  
612 *§ 58.1-3525, unless the tangible personal property taxes for the related qualifying vehicle have been*

paid in full.

C. The Commonwealth shall not make the reimbursement to a treasurer, as provided under subsection C of § 58.1-3526, unless the tangible personal property taxes for the related qualifying vehicle, if in excess of five dollars, have been paid in full.

D. Notwithstanding the provisions of subsections B and C of this section, if a county, city, or town has entered into an agreement with a taxpayer under which such taxpayer is allowed to satisfy the tangible personal property tax liability on a qualifying vehicle in installment payments, due to financial hardship, the Commonwealth shall pay the respective amount specified in subdivisions B 2 through B 5 of § 58.1-3524 for such vehicle to the treasurer if the taxpayer has paid at least fifty percent of such tangible personal property tax liability.

§ 58.1-3529. Estimate of payments to be made by the Commonwealth.

On November 1 of each year, the Department shall estimate the amount to be paid by the Commonwealth under this chapter for the upcoming tax year and shall provide a report to the Governor of the same. Upon the request of the Comptroller, the Department shall also make an estimate of the amount to be paid by the Commonwealth in any tax year to an individual county, city, or town and shall report the estimated amount to the Comptroller.

§ 58.1-3530. Payments to taxpayers subject to Setoff Debt Collection Act.

Any amount to be reimbursed to a taxpayer for tax year 1998 levies paid on qualifying vehicles pursuant to § 58.1-3525 shall be subject to the Setoff Debt Collection Act (§ 58.1-520 et seq.).

§ 58.1-3531. Full payment of tangible personal property tax on qualifying vehicles not made.

Beginning in tax year 1999, notwithstanding any other provision of law, general and special, including the provisions of the charter of any county, city or town:

1. If a taxpayer fails to make the payment described in subsection B of § 58.1-3526 by its due date or fails to comply with the filing requirements for qualifying vehicles under §§ 58.1-3518 and 58.1-3518.1, no interest may be imposed on any amount to be paid by the Commonwealth as determined under subdivisions B 2 through B 5 of § 58.1-3524. In calculating penalties to be imposed on the taxpayer for failure to make the payment described in subsection B of § 58.1-3526 by its due date or for failure of the taxpayer to comply with the filing requirements for qualifying vehicles under §§ 58.1-3518 and 58.1-3518.1, the treasurer may take into consideration the full amount of the tangible personal property tax levied including any amount to be paid by the Commonwealth as determined under subdivisions B 2 through B 5 of § 58.1-3524 and any other relevant information.

2. If a taxpayer (i) fails to comply with the filing requirements for a qualifying vehicle under §§ 58.1-3518 and 58.1-3518.1 and (ii) is not required to return to the treasurer any payment of tangible personal property tax for such vehicle, no new or replacement local motor vehicle license for such vehicle, as described in Article 11 (§ 46.2-750 et seq.) of Chapter 6 of Title 46.2 shall be issued until the taxpayer complies with such filing requirements.

§ 58.1-3532. Department to promulgate guidelines.

The Department shall promulgate guidelines for the use of local governments in administering the provisions of this chapter. In preparing such guidelines, the Department shall not be subject to the provisions of the Administrative Process Act (§ 9-6.14:1 et seq.) for guidelines promulgated on or before July 1, 2001, but shall cooperate with and seek the counsel of local officials and interested groups. Such guidelines shall be available for distribution to local governments on July 1, 1998. Thereafter, the guidelines shall be updated annually.

§ 58.1-3533. Personal Property Tax Relief Fund.

A. There is hereby created on the books of the Comptroller in the Department of the Treasury a special nonreverting fund which shall be known as the Personal Property Tax Relief Fund. The Fund shall consist of such funds as may be appropriated by the General Assembly from time to time. These funds shall be used exclusively for the payments to taxpayers and treasurers described in this chapter.

B. The Commissioner shall annually, on or before November 1, make and deliver to the Governor and the Secretary of Finance a certificate stating the sum necessary to fund the payments to taxpayers and treasurers described in this chapter.

C. In the event the funds appropriated to the Fund are insufficient, or projected to be insufficient, to make payments to taxpayers or treasurers in the first year of a biennium, the Governor is authorized to transfer moneys from the second year to the first year to effect the payment.

In the event the funds appropriated to the Fund are insufficient, or projected to be insufficient, to make payments to treasurers in the second year of a biennium, the Governor is hereby directed to submit to the presiding officer of each house of the General Assembly, at its next regularly scheduled session, printed copies of a budget including the sum, if any, required to restore the Fund to a level sufficient to make payments to treasurers for the purpose set forth in this chapter.

§ 58.1-3534. Department to furnish information to commissioners of revenue.

The Department shall provide to the commissioners of revenue such data or information it has

674 available which is needed for the commissioners of revenue to comply with the provisions of this  
675 chapter. Such data or information shall be made available in a manner which will allow for compliance  
676 with the provisions of this chapter.

677 § 58.1-3535. Commissioner of the revenue to furnish information to the treasurer.

678 The commissioner of the revenue shall timely provide to the treasurer such data or information as  
679 may be required for the treasurer to comply with the provisions of this chapter.

680 § 58.1-3536. Limitation on payments to treasurers.

681 A. The Governor shall not submit any budget bill pursuant to subsection A of § 2.1-399 or any  
682 amendments to a general appropriation act pursuant to subsection B of § 2.1-399 for fiscal year  
683 2000-2001 or any fiscal year thereafter that propose the appropriation of an amount that exceeds a  
684 total of eight and one-half percent of the amount of total general fund revenues available for  
685 appropriation for payments in any fiscal year (i) to treasurers pursuant to § 58.1-3526 and (ii) for  
686 principal and interest upon bonds issued by the Virginia Public School Authority pursuant to  
687 § 22.1-175.2.

688 B. If a general fund revenue forecast provided by the Governor in December of any year pursuant to  
689 § 2.1-393 indicates that the appropriation of funds for payments (i) to treasurers at the level stated in  
690 the Commissioner's certificate made pursuant to subsection B of § 58.1-3533 and (ii) for principal and  
691 interest upon bonds issued by the Virginia Public School Authority pursuant to § 22.1-175.2 would  
692 exceed such eight and one-half percent limitation, then the percentage amount determined under  
693 subsection B of § 58.1-3524 shall be reduced to a percentage of the reimbursable amount of each  
694 qualifying vehicle, to be determined by the Department, that would require the amount to be paid by the  
695 Commonwealth to treasurers for payments to treasurers to not exceed such eight and one-half percent  
696 limitation. Upon determining such reduced percentage, the Department shall notify treasurers of the  
697 reduced percentage.

698 C. For any tax year corresponding to the fiscal year for which the percentage of payment is reduced  
699 as provided in subsection B, the Commonwealth shall pay to treasurers the reduced percentage of the  
700 reimbursable amount of each qualifying vehicle, if the conditions of subsections B through E of  
701 § 58.1-3526 are satisfied.

702 D. Treasurers shall include the product obtained by multiplying the reduced percentage by the  
703 reimbursable amount for the qualifying vehicle as a deduction on tangible personal property tax bills  
704 for such tax year. However, if the percentage for the current tax year is reduced after a locality has  
705 mailed its tangible personal property tax bills for qualifying vehicles for such tax year, the locality may  
706 issue an additional assessment for the amount of the difference between the percentage amount for the  
707 tax year reflected on the original assessment and the reduced amount of the deduction. If the percentage  
708 for the current tax year is reduced before a locality has mailed its tangible personal property tax bills  
709 for qualifying vehicles for such tax year, the locality may adjust each taxpayer's tangible personal  
710 property tax bill to reflect the reduced amount of the deduction.

711 § 58.1-3912. Treasurers to mail certain bills to taxpayers; penalties.

712 A. The treasurer of every city and county shall, as soon as reasonably possible in each year, but not  
713 later than fourteen days prior to the due date of the taxes, send or cause to be sent by United States  
714 mail to each taxpayer assessed with taxes and levies for that year amounting to five dollars or more as  
715 shown by an assessment book in such treasurer's office, a bill or bills setting forth the amounts due. The  
716 treasurer may employ the services of a mailing service or other vendor for fulfilling the requirements of  
717 this section. The failure of any such treasurer to comply with this section shall be a Class 4  
718 misdemeanor. Such treasurer shall be deemed in compliance with this section as to any taxes due on  
719 real estate if, upon certification by the obligee of any note or other evidence of debt secured by a  
720 mortgage or deed of trust on such real estate that an agreement has been made with the obligor in  
721 writing within the mortgage or deed of trust instrument that such arrangements be made, he mails the  
722 bill for such taxes to the obligee thereof. Upon nonpayment of taxes by either the obligee or obligor, a  
723 past-due tax bill will be sent to the taxpayer. No governing body shall publish the name of a taxpayer in  
724 connection with a tax debt for which a bill was not sent, without first sending a notice of deficiency to  
725 his last known address at least two weeks before such publication.

726 B. The governing body of any county, city or town may attach to or mail with all real estate and  
727 tangible personal property tax bills, prepared for taxpayers in such locality, information indicating how  
728 the tax rate charged upon such property and revenue derived therefrom is apportioned among the various  
729 services and governmental functions provided by the locality.

730 C. Notwithstanding the provisions of subsection A of this section, in any county which has adopted  
731 the urban county executive form of government, and in any county contiguous thereto which has  
732 adopted the county executive form of government, tangible personal property tax bills shall be mailed  
733 not later than thirty days prior to the due date of such taxes.

734 D. Notwithstanding the provisions of subsection A of this section, any county and town, the  
735 governing bodies of which mutually agree, shall be allowed to send, to each taxpayer assessed with

taxes, by United States mail no later than fourteen days prior to the due date of the taxes, a single real property tax bill and a single tangible personal property tax bill.

*E. Beginning with tax year 1999, in addition to all other information currently appearing on tangible personal property tax bills, each such bill shall state on its face (i) whether the vehicle is a qualifying vehicle as defined in § 58.1-3523; (ii) a deduction for the amount to be paid by the Commonwealth as determined by § 58.1-3524; (iii) the vehicle's registration number pursuant to § 46.2-604; (iv) the amount of tangible personal property tax levied on the vehicle; and (v) if the locality prorates personal property tax pursuant to § 58.1-3516, the number of months for which a bill is being sent.*

*F. Beginning with tax year 1999 and through the end of tax year 2002, the treasurer shall include a statement, prepared by the Department, with or as part of the tangible personal property tax bills for such qualifying vehicles. The statement shall explain how the deduction for the percentage of the reimbursable amount was calculated, how the deduction shall be calculated in future years, and the taxpayer's liability for tangible personal property taxes on qualifying vehicles.*

*§ 58.1-3916.01. Billing and due dates for personal property tax on qualifying vehicles.*

*Notwithstanding any changes a county, city, or town may adopt regarding its billing date or due date for tangible personal property tax or any proration ordinance which may be adopted pursuant to § 58.1-3516 or § 58.1-3516.1, payment by the Commonwealth for qualifying vehicles as defined in § 58.1-3523 to any county, city, or town shall be made in accordance with the provisions of § 58.1-3526 at such times as are consistent with each locality's billing date or due date in effect on January 1, 1998, for tangible personal property tax. The treasurer shall certify such billing dates and due dates in effect on January 1, 1998, to the Comptroller by January 1, 1999.*

*§ 58.1-4020. Unclaimed prizes.*

*A. Unclaimed prizes for a winning ticket or share shall be retained by the Director for the person entitled thereto for 180 days after the drawing in which the prize was won in the case of a drawing prize and for 180 days after the announced end of the lottery game in the case of a prize determined in any manner other than by means of a drawing. If no claim is made for the prize within the 180 days, the Director shall deem such prize forfeited by the person entitled to claim such winnings.*

*B. All prizes deemed forfeited pursuant to subsection A shall be paid into the Literary Fund. The Director may develop procedures, to be approved by the Auditor of Public Accounts, for estimating the cumulative total of such unclaimed prizes in any lottery game in lieu of specifically identifying unclaimed prizes where such specific identification would not be cost effective. The Director, within sixty days after the end of each 180-day retention period, shall report the total value of prizes forfeited at the end of such period to the Comptroller, who shall promptly transfer the total of such prizes to the Literary Fund. The total value of prizes forfeited during the fiscal year shall be audited by the Auditor of Public Accounts in accordance with § 58.1-4023. In the case of a prize payable over time on one or more winning tickets, if one or more winning tickets is not claimed within the 180-day redemption period, the Department shall transfer the then current monetary value of such portion of the prize remaining unclaimed to the Literary Fund in accordance with procedures approved by the State Treasurer. "Current monetary value" shall be determined by the net proceeds from the sale of that portion of jackpot securities allocated to the unclaimed winner plus the amount of the initial cash payment.*

*On and after July 1, 1998, and in compliance with the provisions of Section 8 of Article VIII of the Constitution of Virginia authorizing the General Assembly to set aside Literary Fund moneys for school purposes so long as the principal of the Fund totals as much as eighty million dollars, the total amount of the value of prizes forfeited during the fiscal year and deposited to the Literary Fund shall be transferred to and deposited in the Virginia Public School Construction Grants Fund established pursuant to § 22.1-175.2 and held separately to be used in accordance with Chapter 11.1 (§ 22.1-175.1 et seq.) of Title 22.1.*

*C. Subsection B of this section shall not apply to prizes of twenty-five dollars or less resulting from any lottery game other than a lottery game in which a drawing determined the prize. The Board shall adopt regulations for the disposition of all such unclaimed prizes of twenty-five dollars or less not resulting from a drawing. Such disposition shall be directed in whole or in part to either the State Lottery Fund or to other forms of compensation to licensed sales agents.*

*D. For purposes of this section, "prize" refers to a cash prize. In the case of a prize payable over time and not as a lump sum payment, "prize" means the present cash value of the prize, not the value paid over time.*

*E. In accordance with the provisions of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 App. U.S.C.A. § 525), any person whose unclaimed prize was deemed forfeited pursuant to subsection A while he was in active military service may claim such forfeited prize by presenting his winning ticket to the Director no later than 180 days after his discharge from active military service. Within thirty days of such presentation, the Director shall verify the claim and report the verification to the Comptroller.*

797 The Comptroller shall promptly pay the verified claim first from funds available in the Unclaimed  
798 Property Trust Fund in § 3-2.00 of the general appropriations act; if such funds are insufficient, then,  
799 from any undesignated, unreserved year-end balance of the general fund. All verified claims shall be  
800 paid in accordance with the Board's rules and regulations then in effect regarding the manner of  
801 payment of prizes to the holders of winning tickets or shares.

802 § 58.1-4022. State Lottery Fund.

803 A. All moneys received from the sale of lottery tickets or shares, less payment for prizes and  
804 compensation of agents as authorized by regulation and any other revenues received under this chapter,  
805 shall be placed in a special fund known as the "State Lottery Fund." Notwithstanding any other  
806 provisions of law, interest earned from moneys in the State Lottery Fund shall accrue to the benefit of  
807 such Fund.

808 B. The total costs for the operation and administration of the lottery shall be funded from the State  
809 Lottery Fund and shall be in such amount as provided in the general appropriation act. Appropriations to  
810 the Department during any fiscal year beginning on and after July 1, 1989, exclusive of agent  
811 compensation, shall at no time exceed ten percent of the total annual estimated gross revenues to be  
812 generated from lottery sales. However, should it be anticipated at any time by the Director that such  
813 operational and administrative costs for a fiscal year will exceed the limitation provided herein, the  
814 Director shall immediately report such information to the Board, the Governor and the Chairmen of  
815 Senate Finance and House Appropriations Committees. From the moneys in the Fund, the Comptroller  
816 shall establish a special reserve fund in such amount as shall be provided by regulation of the  
817 Department for (i) operation of the lottery, (ii) use if the game's pay-out liabilities exceed its cash on  
818 hand, or (iii) enhancement of the prize pool with income derived from lending securities held for  
819 payment of prize installments, which lending of securities shall be conducted in accordance with lending  
820 programs approved by the Department of the Treasury.

821 C. Any start-up sums appropriated from the general fund of the Commonwealth necessary to  
822 commence operation of a state lottery shall be repaid within the first twelve months of initial lottery  
823 sales.

824 D. Appropriation of lottery revenues shall be made only upon actual and audited collections as  
825 transferred to the general fund and shall in no event be predicated upon an estimation of such revenues.  
826 No later than ten days after receipt of the audit report required by § 58.1-4023, the Comptroller shall  
827 transfer to the general fund, less the special reserve fund, the audited balances of the State Lottery Fund.  
828 In addition to such other funds as may be appropriated, 100 percent of the lottery revenues transferred  
829 to the general fund shall be appropriated entirely and solely for the purpose of public education in the  
830 Commonwealth, which purposes shall include, but not be limited to, those programs specified in  
831 § 22.1-199.1.

832 *Of the lottery revenues transferred to the general fund and appropriated entirely and solely for the*  
833 *purpose of public education in the Commonwealth, such funds shall be deposited in the Virginia Public*  
834 *School Construction Grant Fund as follows: (i) twelve and three-tenths percent shall be deposited in*  
835 *fiscal year 1999; (ii) twelve and four-tenths percent shall be deposited in fiscal year 2000; (iii) fifteen*  
836 *percent shall be deposited in fiscal year 2001; (iv) eighteen percent shall be deposited in fiscal year*  
837 *2002; (v) twenty-seven percent shall be deposited in fiscal year 2003; (vi) forty percent shall be*  
838 *deposited in fiscal year 2004; (vii) fifty-three percent shall be deposited in fiscal year 2005; (viii)*  
839 *sixty-six and two-thirds percent shall be deposited in fiscal year 2006 and thereafter. Notwithstanding*  
840 *the foregoing, the percentage level of the lottery revenues deposited in the Virginia Public School*  
841 *Construction Grant Fund shall not be increased in any fiscal year (i) until the projection for the sum of*  
842 *general fund revenue and transfers, as contained in the budget bill submitted by the Governor in*  
843 *December, indicates that the amount of revenue growth for the fiscal year is sufficient to pay for 200*  
844 *percent of the aggregate amount of additional personal property tax relief pursuant to § 58.1-3524 and*  
845 *such additional lottery revenues to be deposited in the Virginia Public School Construction Grant Fund;*  
846 *or (ii) if in any fiscal year the aggregate of the total amount of payments to treasurers for personal*  
847 *property tax relief pursuant to Chapter 35.1 of Title 58.1 and the total lottery revenues to be deposited*  
848 *in the Virginia Public School Construction Grant Fund exceeds the percentage of total general fund*  
849 *revenues available for appropriation established as a limitation upon payments to treasurers in*  
850 *§ 58.1-3536.*

851 E. As a function of the administration of this chapter, funds may be expended for the purposes of  
852 reasonably informing the public concerning (i) the facts embraced in the subjects contained in  
853 subdivisions 1 through 7 of subsection A of § 58.1-4007 and (ii) the fact that the net proceeds are paid  
854 into the general fund of the Commonwealth; but no funds shall be expended for the primary purpose of  
855 inducing persons to participate in the lottery.