

987185753

SENATE BILL NO. 4005

Offered April 23, 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 in Title 9 a chapter numbered 37.1, consisting of a section numbered 9-310.1, 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 personal property tax relief and public school funding; establishing Commission on State Funding of Public School Construction.

Patron—Walker

Referred to the Committee on Finance

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 in Title 9 a chapter numbered 37.1, consisting of a section numbered 9-310.1, by adding sections numbered 9-311.1 and 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.

CHAPTER 37.1.

COMMISSION ON STATE FUNDING OF PUBLIC SCHOOL CONSTRUCTION.

§ 9-311.1. Commission created; powers and duties; appointment and terms of members.

A. There is hereby created, as a legislative agency, the Commission on State Funding of Public School Construction, hereinafter referred to as the "Commission." The Commission shall review, evaluate and make recommendations to the Governor and to the General Assembly regarding (i) methods for assessing and quantifying the public school construction and renovation needs of local governments and (ii) the implementation of the formula for the disbursement and apportionment of funds to local school divisions under the Virginia Public School Construction Grants Program pursuant to § 22.1-175.5.

B. The work of the Commission shall (i) define "need" for public school construction and renovation by developing standards that can be applied uniformly throughout the Commonwealth; (ii) assess actions by each local government in recent years to address school construction and renovation needs; (iii) address the distinction between needs that are the result of circumstances beyond local control and

60 *needs that have resulted from local inaction in comparison to other localities; (iv) recommend methods*  
 61 *to address each locality's projected future enrollment growth; (v) calculate the aggregate amount of*  
 62 *federal and state financial assistance, including loans and interest rate subsidies provided through the*  
 63 *Literary Fund and Virginia Public School Authority, that will or may become available to local*  
 64 *governments over the next decade; (vi) identify creative and cost-effective alternatives to new school*  
 65 *construction; and (vii) recommend the local need and financial ability factors which the Commonwealth*  
 66 *should prioritize in making distributions of state financial assistance.*

67 *C. The Commission shall report on the issues before it annually to the Governor and the General*  
 68 *Assembly.*

69 *D. The Commission shall be composed of eighteen members as follows: seven members of the Senate*  
 70 *to be appointed by the Senate Committee on Privileges and Elections; eight members of the House of*  
 71 *Delegates to be appointed by the Speaker of the House; and three citizens to be appointed by the*  
 72 *Governor. The Commission shall elect a chairman and a vice-chairman. Commission members shall be*  
 73 *compensated as specified in § 14.1-18 and shall be reimbursed for expenses incurred in the performance*  
 74 *of their duties.*

75 *E. The staffs of the Division of Legislative Services, the Senate Committee on Finance, the House*  
 76 *Committee on Appropriations, and the Department of Education shall provide such staff support, both*  
 77 *administrative and professional, as the Commission may require. The Commission may also obtain such*  
 78 *assistance as it may deem necessary from other legislative and executive agencies and may employ*  
 79 *experts who have special knowledge of the issues before it.*

80 *§ 15.2-1636.1. Payments to localities under the Personal Property Tax Relief Act of 1998.*

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

85 *§ 22.1-146. Power of Board to make loans from fund for erection, etc., of school buildings and*  
 86 *fueling facilities for school buses.*

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

99 *§ 22.1-148. Restrictions upon making loans; retirement of previous loans.*

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

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

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

120 *§ 22.1-153. School boards authorized to borrow from Fund; form of application.*

121 *A. The school boards of the several school divisions are authorized to borrow money belonging to*

122 the Literary Fund, and any school board desiring to borrow from the Fund shall make written  
123 application to the Board of Education for such loan on a form to be prescribed by the Board.

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

130 § 22.1-163. Authority created; public body corporate and agency of State.

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

133 § 22.1-165. Management and administration of moneys, etc., transferred from Literary Fund.

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

140 § 22.1-166.2. Grants to local school boards.

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

144 *B. From such funds as may be appropriated for this purpose and any funds deposited to the Virginia*  
145 *Public School Construction Grants Fund established in § 22.1-175.2, the Authority is also empowered to*  
146 *distribute grants of money pursuant to the provisions of the Virginia Public School Construction Grants*  
147 *Program established under Chapter 11.1 (§ 22.1-175.1 et seq.) of this title, upon the approval of such*  
148 *grants by the Board of Education.*

149 § 22.1-175.1. Virginia Public School Construction Grants Program established.

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

156 § 22.1-175.2. Virginia Public School Construction Grants Fund created.

157 A. From such funds as may be appropriated for this purpose and from such gifts, donations, grants,  
158 bequests, and other funds as may be received on its behalf *by the Virginia Public School Authority,*  
159 there is hereby created in the Department of the Treasury a special nonreverting fund known as the  
160 Virginia Public School Construction Grants Fund. The Fund shall be established on the books of the  
161 Comptroller, and any moneys remaining in such Fund at the end of the biennium shall not revert to the  
162 general fund but shall remain in the Fund. Interest earned on such funds shall remain in the Fund and  
163 be credited to it. Funds may be paid to any eligible school division that has been awarded financial  
164 assistance pursuant to the provisions of this chapter.

165 B. ~~The Department of the Treasury~~ *State Treasurer shall administer and manage the Virginia Public*  
166 *School Construction Fund, subject to the authority of the Board of Education to provide for its*  
167 ~~disbursement~~ *establish the criteria for and to award grants for public school construction consistent with*  
168 *the provisions of §§ 22.1-175.4 and 22.1-175.5. The Fund shall be disbursed by the Virginia Public*  
169 *School Authority to award school boards to which the Board awards grants as determined by eligibility*  
170 ~~and needs criteria established by the Board~~ *in accordance with the provisions of §§ 22.1-175.4 and*  
171 *22.1-175.5. The amount of each grant awarded to a qualifying school division shall not exceed 100*  
172 *percent of the cost of construction, renovation, retrofitting, additions, or site acquisition for public*  
173 *school buildings or facilities, less the appropriate local match.*

174 C. *In awarding such grants, the Board shall take into consideration any Literary Fund loan which*  
175 *may have been applied for or awarded for the same projects.*

176 § 22.1-175.3. Board to issue guidelines.

177 The Board shall issue guidelines governing the Program as it may deem necessary and appropriate.  
178 The guidelines shall include, but shall not be limited to, provisions which address the following:  
179 approval by the local governing body of the construction, addition, *renovation, including retrofitting and*  
180 *enlarging public school buildings, or site acquisition for public school buildings and facilities, or if a*  
181 *school division has completed any such projects during the previous ten years, debt service payments, or*  
182 *a portion thereof, for which grant moneys are sought and of the application for a grant from the Fund*

183 pursuant to § 22.1-175.4; eligibility criteria for school divisions demonstrating need based on local  
 184 ability to pay for public school construction; eligibility criteria for school divisions demonstrating need  
 185 based on population growth rates and the availability and pledge of local matching funds; and  
 186 procedures for determining priority for awarding grants to qualifying school divisions.

187 § 22.1-175.4. Application for grants.

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

192 1. The school division has been approved for a Literary Fund loan for a capital school project;

193 2. The school division has received or been notified of an appropriation of a local match grant by  
 194 the governing body of the locality for capital school projects that are documented in a long-range  
 195 capital outlay plan; or

196 3. The governing body or school division is currently making debt service payments for a capital  
 197 school project which was completed in the previous ten years.

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

200 § 22.1-175.5. Allocations of grants.

201 Grants shall be allocated and distributed annually to school divisions in accordance with the  
 202 following: (i) 30.78 percent of the available grant funds shall be allocated and distributed to each  
 203 school division on the basis of the school division's average daily membership, adjusted for half-day  
 204 kindergarten enrollment, and further adjusted by (a) the ratio that the locality's index of fiscal stress  
 205 bears to the statewide average of fiscal stress, and (b) the percentage of students in such school division  
 206 enrolled in the federal Free Lunch Program; (ii) 34.61 percent of the available grant funds shall be  
 207 allocated and distributed to each school division on a pro rata basis according to the school division's  
 208 average daily membership, adjusted for half-day kindergarten enrollment, and further adjusted by the  
 209 locality's composite index of local ability to pay; and (iii) 34.61 percent of the available grant funds  
 210 shall be allocated and distributed in equal amounts to each school division.

211 § 22.1-175.6. Capital School Projects Fund.

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

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

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

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

234 § 46.2-208. Records of Department; when open for inspection; release of privileged information.

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

237 1. Personal information, including all data defined as "personal information" in § 2.1-379;

238 2. Driver information, including all data that relates to driver's license status and driver activity; and

239 3. Vehicle information, including all descriptive vehicle data and title, registration, and vehicle  
 240 activity data.

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

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

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

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

247 4. When the person requesting the information is (i) the subject of the information, (ii) the parent or  
248 guardian of the subject of the information, (iii) the authorized representative of the subject of the  
249 information, or (iv) the owner of the vehicle that is the subject of the information, the Commissioner  
250 shall provide him with the requested information and a complete explanation of it. Requests for such  
251 information need not be made in writing or in person and may be made orally or by telephone, provided  
252 that the Department is satisfied that there is adequate verification of the requester's identity. When so  
253 requested in writing by (i) the subject of the information, (ii) the parent or guardian of the subject of the  
254 information, (iii) the authorized representative of the subject of the information, or (iv) the owner of the  
255 vehicle that is the subject of the information, the Commissioner shall verify and, if necessary, correct the  
256 personal information provided and furnish driver and vehicle information in the form of an abstract of  
257 the record.

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

269 6. On the written request of any business organization or its agent, in the conduct of its business, the  
270 Commissioner shall compare personal information supplied by the business organization or agent with  
271 that contained in the Department's records and, when the information supplied by the business  
272 organization or agent is different from that contained in the Department's records, provide the business  
273 organization or agent with correct information as contained in the Department's records. Personal  
274 information provided under this subdivision shall be used solely for the purpose of pursuing remedies  
275 which require locating an individual.

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

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

295 9. On the request of any federal, state, or local governmental entity, law-enforcement officer, attorney  
296 for the Commonwealth, ~~or~~ court, *or the authorized agent of any of the foregoing*, the Commissioner  
297 shall (i) compare personal information supplied by the governmental entity, officer, attorney for the  
298 Commonwealth, ~~or~~ court, *or the authorized agent of any of the foregoing*, with that contained in the  
299 Department's records and, when the information supplied by the governmental entity, officer, attorney  
300 for the Commonwealth, ~~or~~ court, *or the authorized agent of any of the foregoing*, is different from that  
301 contained in the Department's records, provide the governmental entity, officer, attorney for the  
302 Commonwealth, ~~or~~ court, *or the authorized agent of any of the foregoing*, with correct information as  
303 contained in the Department's records and (ii) provide driver and vehicle information in the form of an  
304 abstract of the record showing all convictions, accidents, driver's license suspensions or revocations, and  
305 other appropriate information as the governmental entity, officer, attorney for the Commonwealth, ~~or~~

306 court, or the authorized agent of any of the foregoing, may require in order to carry out its official  
307 functions.

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

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

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

334 13. On the written request of any person who has applied to be a volunteer with a Virginia affiliate  
335 of Big Brothers/Big Sisters of America, the Commissioner shall (i) compare personal information  
336 supplied by a Virginia affiliate of Big Brothers/Big Sisters of America with that contained in the  
337 Department's records and, when the information supplied by a Virginia affiliate of Big Brothers/Big  
338 Sisters of America is different from that contained in the Department's records, provide the Virginia  
339 affiliate of Big Brothers/Big Sisters of America with correct information as contained in the  
340 Department's records and (ii) provide driver information in the form of an abstract of the applicant's  
341 record showing all convictions, accidents, license suspensions or revocations, and any type of driver's  
342 license that the individual currently possesses. Such abstract shall be provided free of charge if the  
343 request is accompanied by appropriate written evidence that the person has applied to be a volunteer  
344 with a Virginia affiliate of Big Brothers/Big Sisters of America.

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

351 15. Upon the request of any employer, prospective employer, or authorized representative of either,  
352 the Commissioner shall (i) compare personal information supplied by the employer, prospective  
353 employer, or agent with that contained in the Department's records and, when the information supplied  
354 by the employer, prospective employer, or agent is different from that contained in the Department's  
355 records, provide the employer, prospective employer, or agent with correct information as contained in  
356 the Department's records and (ii) provide driver information in the form of an abstract of the driving  
357 record of any individual who has been issued a commercial driver's license, provided that the  
358 individual's position or the position that the individual is being considered for involves the operation of  
359 a commercial motor vehicle. Such abstract shall show all convictions, accidents, license suspensions,  
360 revocations, or disqualifications, and any type of driver's license that the individual currently possesses.

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

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

367 18. Upon the request, in the course of business, of any authorized representative of an insurance

368 company or of any not-for-profit entity organized to prevent and detect insurance fraud, the  
 369 Commissioner shall provide all vehicle information, including the owner's name and address, descriptive  
 370 data and title, registration, and vehicle activity data to such person.

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

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

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

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

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

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

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

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

395 § 46.2-623. Statements in application.

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

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

406 *B. Not later than July 15, 1998, the lessor of a qualifying vehicle, as defined in § 58.1-3523, shall*  
 407 *send a report to the Department for each such qualifying vehicle it was leasing as of July 1, 1998, and*  
 408 *has leased between January 1, 1998, and June 30, 1998, containing (i) the name and address of the*  
 409 *lessee as it appears in the lease contract; (ii) the social security number of the lessee; and (iii) the*  
 410 *registration number of the vehicle as described under Article 1 (§ 46.2-600 et seq.) of Chapter 6 of Title*  
 411 *46.2.*

412 *C. Beginning with August 1998, such lessor shall send a monthly report to the Department, by the*  
 413 *fifteenth day of the month or such later day as may be prescribed in the guidelines promulgated under*  
 414 *§ 58.1-3532, listing any changes, additions or deletions to the information provided under subsection B*  
 415 *as of the last day of the preceding month.*

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

#### 418 CHAPTER 35.1.

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

420 § 58.1-3523. Definitions.

421 As used in this chapter:

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

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

427 "Department" means the Department of Motor Vehicles.

428 "Effective tax rate" means the tax rate imposed by a locality on tangible personal property on the

429 applicable class of tangible personal property multiplied by the assessment ratio.

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

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

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

434 "Qualifying vehicle" means any passenger car, motorcycle, and pickup or panel truck, as those terms  
435 are defined in § 46.2-100, that is determined by the commissioner of the revenue of the county or city in  
436 which the vehicle has situs as provided by § 58.1-3511 to be (i) privately owned or (ii) leased pursuant  
437 to a contract requiring the lessee to pay the tangible personal property tax on such vehicle. In  
438 determining whether a vehicle is a qualifying vehicle, the commissioner of revenue may rely on the  
439 registration of such vehicle with the Department pursuant to Chapter 6 (§ 46.2-600 et seq.) of Title  
440 46.2.

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

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

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

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

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

459 § 58.1-3524. Reimbursement of tangible personal property taxes; deduction on tangible personal  
460 property tax bills.

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

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

	Percentage Level
470	
471 1. For any tax year beginning in	12.5 percent of the reimbursable
472 calendar year 1998	amount for each qualifying vehicle
473 2. For any tax year beginning in	27.5 percent of the reimbursable
474 calendar year 1999	amount for each qualifying vehicle
475 3. For any tax year beginning in	47.5 percent of the reimbursable
476 calendar year 2000	amount for each qualifying vehicle
477 4. For any tax year beginning in	70 percent of the reimbursable
478 calendar year 2001	amount for each qualifying vehicle
479 5. For any tax year beginning in	100 percent of the reimbursable
480 calendar year 2002 and tax	amount for each qualifying vehicle
481 years thereafter	

482

483 C. Notwithstanding the schedule set forth in subsection B, the percentage level for each qualifying  
484 vehicle to be paid by the Commonwealth for a tax year shall not be increased at the beginning of any  
485 calendar year above the percentage level paid by the Commonwealth in the preceding tax year if:

486 1. Actual general fund revenues for a fiscal year, including transfers, are less than the projected  
487 general fund revenues, as reported in the general appropriation act in effect at that time, by one-half of  
488 one percent or more of the amount of actual general fund revenues for such fiscal year;

489 2. The general fund revenue forecast provided by the Governor in December pursuant to § 2.1-393



490 indicates that general fund revenues, excluding transfers, for any fiscal year will be less than five  
491 percent greater than general fund revenues for the immediately preceding fiscal year; or

492 3. The general fund revenue forecast provided by the Governor in December pursuant to § 2.1-393  
493 indicates that total general fund revenues available for appropriation, including transfers, for either of  
494 the fiscal years covered by the general appropriation act in effect at that time will be less than the  
495 general fund appropriations for such fiscal year or years.

496 D. If the percentage level remains the same for consecutive tax years, the percentage level to be used  
497 in the following tax year shall remain the same unless none of the conditions described in subsection C  
498 has occurred, in which event the amount to be paid by the Commonwealth for the immediately following  
499 tax year shall be equal to the next highest percentage amount listed in subsection B.

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

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

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

513 b. If the percentage of the reimbursable amount is increased for the current tax year and the  
514 taxpayer has paid the assessment, the locality shall issue a refund to the taxpayer for the amount of the  
515 difference between the percentage of the reimbursable amount for the tax year reflected on the original  
516 assessment and the percentage of the reimbursable amount for the tax year as modified by the General  
517 Assembly in the current tax year. Such refunds shall be issued by the treasurer no later than thirty days  
518 after receipt of the payment from the Commonwealth pursuant to § 58.1-3526.

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

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

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

528 § 58.1-3525. Reimbursement to taxpayers for tax year 1998 levies.

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

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

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

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

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

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

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

548 a. On or before January 31, 1999, the commissioner of revenue shall certify the value of each  
549 qualifying vehicle to the treasurer of the locality. No further certification shall be required if the  
550 commissioner of revenue has, within the certified property book provided to the treasurer pursuant to

551 § 58.1-3118, identified each qualifying vehicle and its value, as defined in this chapter.  
552 b. On or before February 28, 1999, the treasurer shall certify to the Department, in the manner  
553 prescribed by the Department, the amount as determined under subdivision B 1 of § 58.1-3524 to be  
554 reimbursed to each taxpayer.  
555 c. On or before March 31, 1999, after a review of the certifications submitted by the treasurers, the  
556 Commissioner shall certify the amount to be reimbursed to each taxpayer and shall make a written  
557 request to the Comptroller for payment.  
558 3. The reimbursement relating to tax year 1998 levies paid by taxpayers after December 31, 1998,  
559 shall be sent by United States mail to taxpayers within 100 days of payment.  
560 a. Within thirty days of receipt of payment, the treasurer shall certify to the Department, in the  
561 manner prescribed by the Department, the amount as determined under subdivision B 1 of § 58.1-3524  
562 to be reimbursed to each taxpayer.  
563 b. After a review of the certifications submitted by the treasurers and within thirty days of receipt of  
564 a treasurer's certification, the Commissioner shall certify the amount to be reimbursed to each taxpayer  
565 and shall make a written request to the Comptroller for payment.  
566 4. In each instance, the treasurer shall also include the commissioner of revenue's certification along  
567 with any certification he is required to send to the Department.  
568 C. If (i) the situs for the assessment and taxation of a qualifying vehicle, as determined pursuant to  
569 § 58.1-3511, changes in tax year 1998 and (ii) the county, city, or town in which the qualifying vehicle  
570 first had situs in tax year 1998 levied a tangible personal property tax on such vehicle for all twelve  
571 months of tax year 1998, the reimbursement under this section shall be made only for tangible personal  
572 property taxes paid to such county, city, or town.  
573 D. Payments to taxpayers under this section shall be made by the State Treasurer on warrants issued  
574 by the Comptroller.  
575 E. The reimbursement provided under this section for a qualifying vehicle which is leased shall be  
576 paid directly to the lessee of such vehicle.  
577 § 58.1-3526. Payment to treasurers for tax year 1999 and thereafter.  
578 A. For tax year 1999 and tax years thereafter, the Commonwealth shall pay to treasurers the amount  
579 specified in subdivisions B 2 through B 5 of § 58.1-3524 for each qualifying vehicle, if the conditions of  
580 this section are satisfied.  
581 B. As provided by subsection E of § 58.1-3912, the treasurer shall include such amount as a  
582 deduction on the face of tangible personal property tax bills for qualifying vehicles and shall clearly  
583 designate such deduction as an amount to be paid by the Commonwealth. In addition to tangible  
584 personal property taxes levied on property other than qualifying vehicles, the taxpayer shall pay to the  
585 treasurer any payment due for the difference between tangible personal property taxes levied on a  
586 qualifying vehicle and such deduction. Within the certified personal property tax book provided to the  
587 treasurer pursuant to § 58.1-3118, the commissioner of the revenue shall identify each qualifying vehicle  
588 and its value, as defined in this chapter.  
589 C. Except as provided by subsection B of § 58.1-3528, upon full payment of the tangible personal  
590 property tax levied on a qualifying vehicle, less the amount of the deduction, as described in subsection  
591 B of this section, the treasurer shall make a request to the Commonwealth for payment of the amount  
592 equal to the amount specified in subdivisions B 2 through B 5 of § 58.1-3524 for the qualifying vehicle.  
593 Such request shall include a summary of the information appearing on the related tangible personal  
594 property tax bill. The summary information to be included in the request and the form of such request  
595 shall be prescribed by the Comptroller. Upon receipt of such information, the Comptroller shall issue  
596 the proper warrant for payment by the State Treasurer. If the Comptroller determines that a treasurer is  
597 unable to provide the summary information, he shall issue a warrant for payment to such treasurer in  
598 an amount equal to the estimate made by the Department under § 58.1-3529. Provided that the request  
599 for payment is received by the deadlines established and in the format prescribed by the Comptroller, he  
600 shall issue the warrant for payment no later than two business days after the receipt of the request from  
601 the treasurer.  
602 D. 1. If a taxpayer is required to make a payment for the difference between the tangible personal  
603 property tax levied on a qualifying vehicle and the deduction as described in subsection B, the amount  
604 as determined under subdivisions B 2 through B 5 of § 58.1-3524 for such qualifying vehicle shall be  
605 paid by the Commonwealth to the treasurer at such times as are consistent with the treasurer's receipt  
606 of tangible personal property tax payments on qualifying vehicles as of January 1, 1998.  
607 2. Except as provided in subdivision D 3, if a taxpayer is not required to return to the treasurer any  
608 payment of tangible personal property tax for a qualifying vehicle, the amount as determined under  
609 subdivisions B 2 through B 5 of § 58.1-3524 for such qualifying vehicle shall be paid by the  
610 Commonwealth to the treasurer over a four-week period. There shall be one equal payment in each  
611 week. The first payment shall be made four weeks prior to the county, city, or town's due date for  
612 tangible personal property taxes on qualifying vehicles as of January 1, 1998. However, the Comptroller

613 shall not issue a warrant for payment unless he has received the certification described in  
614 § 58.1-3916.01.

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

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

624 § 58.1-3527. Reconciliation of amounts paid to counties, cities, and towns.

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

634 § 58.1-3528. Interest; Commonwealth to make payments when taxes paid in full.

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

636 B. The Commonwealth shall not make the reimbursement to a taxpayer, as provided under  
637 § 58.1-3525, unless the tangible personal property taxes for the related qualifying vehicle have been  
638 paid in full.

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

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

648 § 58.1-3529. Estimate of payments to be made by the Commonwealth.

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

654 § 58.1-3530. Payments to taxpayers subject to Setoff Debt Collection Act.

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

657 § 58.1-3531. Full payment of tangible personal property tax on qualifying vehicles not made.

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

660 1. If a taxpayer fails to make the payment described in subsection B of § 58.1-3526 by its due date  
661 or fails to comply with the filing requirements for qualifying vehicles under §§ 58.1-3518 and  
662 58.1-3518.1, no interest may be imposed on any amount to be paid by the Commonwealth as determined  
663 under subdivisions B 2 through B 5 of § 58.1-3524. In calculating penalties to be imposed on the  
664 taxpayer for failure to make the payment described in subsection B of § 58.1-3526 by its due date or for  
665 failure of the taxpayer to comply with the filing requirements for qualifying vehicles under §§ 58.1-3518  
666 and 58.1-3518.1, the treasurer may take into consideration the full amount of the tangible personal  
667 property tax levied including any amount to be paid by the Commonwealth as determined under  
668 subdivisions B 2 through B 5 of § 58.1-3524 and any other relevant information.

669 2. If a taxpayer (i) fails to comply with the filing requirements for a qualifying vehicle under  
670 §§ 58.1-3518 and 58.1-3518.1 and (ii) is not required to return to the treasurer any payment of tangible  
671 personal property tax for such vehicle, no new or replacement local motor vehicle license for such  
672 vehicle, as described in Article 11 (§ 46.2-750 et seq.) of Chapter 6 of Title 46.2 shall be issued until  
673 the taxpayer complies with such filing requirements.

674 § 58.1-3532. Department to promulgate guidelines.

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

681 § 58.1-3533. Personal Property Tax Relief Fund.

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

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

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

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

697 § 58.1-3534. Department to furnish information to commissioners of revenue.

698 The Department shall provide to the commissioners of revenue such data or information it has  
699 available which is needed for the commissioners of revenue to comply with the provisions of this  
700 chapter. Such data or information shall be made available in a manner which will allow for compliance  
701 with the provisions of this chapter.

702 § 58.1-3535. Commissioner of the revenue to furnish information to the treasurer.

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

705 § 58.1-3536. Limitation on payments to treasurers.

706 A. The Governor shall not submit any budget bill pursuant to subsection A of § 2.1-399 or any  
707 amendments to a general appropriation act pursuant to subsection B of § 2.1-399 for fiscal year  
708 2000-2001 or any fiscal year thereafter that propose the appropriation of an amount that exceeds a  
709 total of eight percent of the amount of total general fund revenues available for appropriation for  
710 payments in any fiscal year to treasurers pursuant to § 58.1-3526.

711 B. If a general fund revenue forecast provided by the Governor in December of any year pursuant to  
712 § 2.1-393 indicates that the appropriation of funds for payments to treasurers at the level stated in the  
713 Commissioner's certificate made pursuant to subsection B of § 58.1-3533 would exceed such eight  
714 percent limitation, then the percentage amount determined under subsection B of § 58.1-3524 shall be  
715 reduced to a percentage of the reimbursable amount of each qualifying vehicle, to be determined by the  
716 Department, that would require the amount to be paid by the Commonwealth to treasurers for payments  
717 to treasurers to not exceed such eight percent limitation. Upon determining such reduced percentage,  
718 the Department shall notify treasurers of the reduced percentage.

719 C. For any tax year corresponding to the fiscal year for which the percentage of payment is reduced  
720 as provided in subsection B, the Commonwealth shall pay to treasurers the reduced percentage of the  
721 reimbursable amount of each qualifying vehicle, if the conditions of subsections B through E of  
722 § 58.1-3526 are satisfied.

723 D. Treasurers shall include the product obtained by multiplying the reduced percentage by the  
724 reimbursable amount for the qualifying vehicle as a deduction on tangible personal property tax bills  
725 for such tax year. However, if the percentage for the current tax year is reduced after a locality has  
726 mailed its tangible personal property tax bills for qualifying vehicles for such tax year, the locality may  
727 issue an additional assessment for the amount of the difference between the percentage amount for the  
728 tax year reflected on the original assessment and the reduced amount of the deduction. If the percentage  
729 for the current tax year is reduced before a locality has mailed its tangible personal property tax bills  
730 for qualifying vehicles for such tax year, the locality may adjust each taxpayer's tangible personal  
731 property tax bill to reflect the reduced amount of the deduction.

732 § 58.1-3912. Treasurers to mail certain bills to taxpayers; penalties.

733 A. The treasurer of every city and county shall, as soon as reasonably possible in each year, but not  
734 later than fourteen days prior to the due date of the taxes, send or cause to be sent by United States  
735 mail to each taxpayer assessed with taxes and levies for that year amounting to five dollars or more as

736 shown by an assessment book in such treasurer's office, a bill or bills setting forth the amounts due. The  
 737 treasurer may employ the services of a mailing service or other vendor for fulfilling the requirements of  
 738 this section. The failure of any such treasurer to comply with this section shall be a Class 4  
 739 misdemeanor. Such treasurer shall be deemed in compliance with this section as to any taxes due on  
 740 real estate if, upon certification by the obligee of any note or other evidence of debt secured by a  
 741 mortgage or deed of trust on such real estate that an agreement has been made with the obligor in  
 742 writing within the mortgage or deed of trust instrument that such arrangements be made, he mails the  
 743 bill for such taxes to the obligee thereof. Upon nonpayment of taxes by either the obligee or obligor, a  
 744 past-due tax bill will be sent to the taxpayer. No governing body shall publish the name of a taxpayer in  
 745 connection with a tax debt for which a bill was not sent, without first sending a notice of deficiency to  
 746 his last known address at least two weeks before such publication.

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

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

755 D. Notwithstanding the provisions of subsection A of this section, any county and town, the  
 756 governing bodies of which mutually agree, shall be allowed to send, to each taxpayer assessed with  
 757 taxes, by United States mail no later than fourteen days prior to the due date of the taxes, a single real  
 758 property tax bill and a single tangible personal property tax bill.

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

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

770 § 58.1-3916.01. *Billing and due dates for personal property tax on qualifying vehicles.*

771 *Notwithstanding any changes a county, city, or town may adopt regarding its billing date or due*  
 772 *date for tangible personal property tax or any proration ordinance which may be adopted pursuant to*  
 773 *§ 58.1-3516 or § 58.1-3516.1, payment by the Commonwealth for qualifying vehicles as defined in*  
 774 *§ 58.1- 3523 to any county, city, or town shall be made in accordance with the provisions of*  
 775 *§ 58.1-3526 at such times as are consistent with each locality's billing date or due date in effect on*  
 776 *January 1, 1998, for tangible personal property tax. The treasurer shall certify such billing dates and*  
 777 *due dates in effect on January 1, 1998, to the Comptroller by January 1, 1999.*

778 § 58.1-4020. Unclaimed prizes.

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

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

797 payment.

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

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

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

813 E. In accordance with the provisions of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 App.  
 814 U.S.C.A. § 525), any person whose unclaimed prize was deemed forfeited pursuant to subsection A  
 815 while he was in active military service may claim such forfeited prize by presenting his winning ticket  
 816 to the Director no later than 180 days after his discharge from active military service. Within thirty days  
 817 of such presentation, the Director shall verify the claim and report the verification to the Comptroller.  
 818 The Comptroller shall promptly pay the verified claim first from funds available in the Unclaimed  
 819 Property Trust Fund in § 3-2.00 of the general appropriations act; if such funds are insufficient, then,  
 820 from any undesignated, unreserved year-end balance of the general fund. All verified claims shall be  
 821 paid in accordance with the Board's rules and regulations then in effect regarding the manner of  
 822 payment of prizes to the holders of winning tickets or shares.

823 § 58.1-4022. State Lottery Fund.

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

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

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

845 D. Appropriation of lottery revenues shall be made only upon actual and audited collections as  
 846 transferred to the general fund and shall in no event be predicated upon an estimation of such revenues.  
 847 No later than ten days after receipt of the audit report required by § 58.1-4023, the Comptroller shall  
 848 transfer to the general fund, less the special reserve fund, the audited balances of the State Lottery Fund.  
 849 In addition to such other funds as may be appropriated, 100 percent of the lottery revenues transferred  
 850 to the general fund shall be appropriated entirely and solely for the purpose of public education in the  
 851 Commonwealth, which purposes shall include, but not be limited to, those programs specified in  
 852 § 22.1-199.1.

853 *Of the lottery revenues transferred to the general fund and appropriated entirely and solely for the*  
 854 *purpose of public education in the Commonwealth, such funds shall be deposited in the Virginia Public*  
 855 *School Construction Grant Fund as follows: (i) twelve and three-tenths percent shall be deposited in*  
 856 *fiscal year 1999; (ii) twelve and four-tenths percent shall be deposited in fiscal year 2000; (iii) fifteen*  
 857 *percent shall be deposited in fiscal year 2001; (iv) eighteen percent shall be deposited in fiscal year*  
 858 *2002; (v) twenty-seven percent shall be deposited in fiscal year 2003; (vi) forty percent shall be*

859 deposited in fiscal year 2004; (vii) fifty-three percent shall be deposited in fiscal year 2005; (viii)  
860 sixty-six and two-thirds percent shall be deposited in fiscal year 2006 and thereafter. Notwithstanding  
861 the foregoing, the percentage level of the lottery revenues deposited in the Virginia Public School  
862 Construction Grant Fund shall not be increased in any fiscal year (i) until the projection for the sum of  
863 general fund revenue and transfers, as contained in the budget bill submitted by the Governor in  
864 December, indicates that the amount of revenue growth for the fiscal year is sufficient to pay for 200  
865 percent of the aggregate amount of additional personal property tax relief pursuant to § 58.1-3524 and  
866 such additional lottery revenues to be deposited in the Virginia Public School Construction Grant Fund;  
867 or (ii) if in any fiscal year the aggregate of the total amount of payments to treasurers for personal  
868 property tax relief pursuant to Chapter 35.1 of Title 58.1 and the total lottery revenues to be deposited  
869 in the Virginia Public School Construction Grant Fund exceeds the percentage of total general fund  
870 revenues available for appropriation established as a limitation upon payments to treasurers in  
871 § 58.1-3536.

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