

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact §§ 2.1-155, 22.1-175.1, 22.1-175.2, 22.1-175.3, 46.2-208, 46.2-623, and*
3 *58.1-3912 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered*
4 *15.2-1636.20, by adding in Chapter 11.1 of Title 22.1 a section numbered 22.1-175.4, by adding in*
5 *Title 58.1 a chapter numbered 35.1, consisting of sections numbered 58.1-3523 through 58.1-3536,*
6 *and by adding a section numbered 58.1-3916.01, relating to funding for tangible personal property*
7 *tax relief and public school construction; Personal Property Tax Relief Act of 1998; establishment of*
8 *Commission on State Funding of Public School Construction; study of public school construction*
9 *issues.*

[S 4005]

10 Approved

11 **Be it enacted by the General Assembly of Virginia:**

12 **1. That §§ 2.1-155, 22.1-175.1, 22.1-175.2, 22.1-175.3, 46.2-208, 46.2-623, and 58.1-3912 of the Code**
13 **of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a**
14 **section numbered 15.2-1636.20, by adding in Chapter 11.1 of Title 22.1 a section numbered**
15 **22.1-175.4, by adding in Title 58.1 a chapter numbered 35.1, consisting of sections numbered**
16 **58.1-3523 through 58.1-3536, and by adding a section numbered 58.1-3916.01, as follows:**

17 § 2.1-155. Duties and powers generally.

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

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

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

38 § 15.2-1636.20. *Payments to localities under the Personal Property Tax Relief Act of 1998.*

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

43 § 22.1-175.1. Virginia Public School Construction Grants Program established.

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

50 § 22.1-175.2. Virginia Public School Construction Grants Fund created.

51 A. From such funds as may be appropriated for this purpose and from such gifts, donations, grants,
52 bequests, and other funds as may be received on its behalf, there is hereby created in the Department of
53 the Treasury a special nonreverting fund known as the Virginia Public School Construction Grants Fund.
54 The Fund shall be established on the books of the Comptroller, and any moneys remaining in such Fund
55

56 at the end of the biennium shall not revert to the general fund but shall remain in the Fund. Interest
 57 earned on such funds shall remain in the Fund and be credited to it. Funds may be paid *disbursed* to
 58 any eligible school division that has been awarded *is eligible for* financial assistance pursuant to the
 59 provisions of this chapter.

60 B. The Department of the Treasury State Treasurer shall administer and manage the Virginia Public
 61 School Construction Grants Fund, subject to the authority of the Board of Education to provide for its
 62 disbursement. The Fund shall be disbursed to award grants as determined by eligibility and needs
 63 criteria established by the Board provided in § 22.1-175.4. The amount of each grant awarded to a
 64 qualifying school division in any fiscal year shall not exceed 100 percent of the cost of school division's
 65 aggregate annual expenditures for school construction, additions, or infrastructure, site acquisition for
 66 public school buildings or facilities, renovations, including the costs of retrofitting or enlarging
 67 public school buildings, and debt service payments on such school projects which have been completed
 68 during the last ten years.

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

73 § 22.1-175.3. Board to issue guidelines.

74 The Board shall issue guidelines governing for the administration of the Program as it may deem
 75 necessary and appropriate. The guidelines shall include, but shall not be limited to, provisions which
 76 address the following: approval by the local governing body of the construction, addition, or site
 77 acquisition for which grant moneys are sought and of, the application for a grant from the Fund;
 78 eligibility criteria for school divisions demonstrating need based on local ability to pay for public school
 79 construction; eligibility criteria for school divisions demonstrating need based on population growth rates
 80 and the availability and pledge of local matching funds; and procedures for determining priority for
 81 awarding grants to qualifying school divisions, and implementation of the procedure for disbursing
 82 grants to school divisions as provided in § 22.1-175.4.

83 § 22.1-175.4. Apportionment and distribution of grants.

84 A. All funds appropriated for financial assistance for the purposes of this chapter during fiscal years
 85 1998-1999 and 1999-2000 pursuant to Item 554 of the 1998-2000 Appropriation Act shall be
 86 apportioned and distributed among the school divisions of the Commonwealth as follows: (i) there shall
 87 be apportioned and distributed equally to every school division grants in the sum of \$200,000 each and
 88 (ii) the balance of all available funds shall be apportioned and distributed to each school division on a
 89 pro rata basis according to the school division's average daily membership adjusted by the locality's
 90 composite index of ability to pay as set forth in the general appropriation act.

91 B. All funds appropriated for financial assistance for the purposes of this chapter for subsequent
 92 fiscal years shall be apportioned and distributed among the school divisions of the Commonwealth in
 93 accordance with eligibility and needs criteria to be established by the 2000 Session of the General
 94 Assembly. In developing such eligibility and needs criteria, the 2000 Session of the General Assembly
 95 shall consider the recommendations of the Commission on State Funding of Public School Construction.

96 § 46.2-208. Records of Department; when open for inspection; release of privileged information.

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

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

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

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

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

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

109 4. When the person requesting the information is (i) the subject of the information, (ii) the parent or
 110 guardian of the subject of the information, (iii) the authorized representative of the subject of the
 111 information, or (iv) the owner of the vehicle that is the subject of the information, the Commissioner
 112 shall provide him with the requested information and a complete explanation of it. Requests for such
 113 information need not be made in writing or in person and may be made orally or by telephone, provided
 114 that the Department is satisfied that there is adequate verification of the requester's identity. When so
 115 requested in writing by (i) the subject of the information, (ii) the parent or guardian of the subject of the
 116 information, (iii) the authorized representative of the subject of the information, or (iv) the owner of the

117 vehicle that is the subject of the information, the Commissioner shall verify and, if necessary, correct the
 118 personal information provided and furnish driver and vehicle information in the form of an abstract of
 119 the record.

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

131 6. On the written request of any business organization or its agent, in the conduct of its business, the
 132 Commissioner shall compare personal information supplied by the business organization or agent with
 133 that contained in the Department's records and, when the information supplied by the business
 134 organization or agent is different from that contained in the Department's records, provide the business
 135 organization or agent with correct information as contained in the Department's records. Personal
 136 information provided under this subdivision shall be used solely for the purpose of pursuing remedies
 137 which require locating an individual.

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

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

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

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

173 11. On the written request of any employer, prospective employer, or authorized agent of either, and
 174 with the written consent of the individual concerned, the Commissioner shall (i) compare personal
 175 information supplied by the employer, prospective employer, or agent with that contained in the
 176 Department's records and, when the information supplied by the employer, prospective employer, or
 177 agent is different from that contained in the Department's records, provide the employer, prospective

178 employer, or agent with correct information as contained in the Department's records and (ii) provide the
179 employer, prospective employer, or agent with driver information in the form of an abstract of an
180 individual's record showing all convictions, accidents, driver's license suspensions or revocations, and
181 any type of driver's license that the individual currently possesses, provided that the individual's position
182 or the position that the individual is being considered for involves the operation of a motor vehicle.

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

196 13. On the written request of any person who has applied to be a volunteer with a Virginia affiliate
197 of Big Brothers/Big Sisters of America, the Commissioner shall (i) compare personal information
198 supplied by a Virginia affiliate of Big Brothers/Big Sisters of America with that contained in the
199 Department's records and, when the information supplied by a Virginia affiliate of Big Brothers/Big
200 Sisters of America is different from that contained in the Department's records, provide the Virginia
201 affiliate of Big Brothers/Big Sisters of America with correct information as contained in the
202 Department's records and (ii) provide driver information in the form of an abstract of the applicant's
203 record showing all convictions, accidents, license suspensions or revocations, and any type of driver's
204 license that the individual currently possesses. Such abstract shall be provided free of charge if the
205 request is accompanied by appropriate written evidence that the person has applied to be a volunteer
206 with a Virginia affiliate of Big Brothers/Big Sisters of America.

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

213 15. Upon the request of any employer, prospective employer, or authorized representative of either,
214 the Commissioner shall (i) compare personal information supplied by the employer, prospective
215 employer, or agent with that contained in the Department's records and, when the information supplied
216 by the employer, prospective employer, or agent is different from that contained in the Department's
217 records, provide the employer, prospective employer, or agent with correct information as contained in
218 the Department's records and (ii) provide driver information in the form of an abstract of the driving
219 record of any individual who has been issued a commercial driver's license, provided that the
220 individual's position or the position that the individual is being considered for involves the operation of
221 a commercial motor vehicle. Such abstract shall show all convictions, accidents, license suspensions,
222 revocations, or disqualifications, and any type of driver's license that the individual currently possesses.

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

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

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

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

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

239 Commissioner.

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

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

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

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

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

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

257 § 46.2-623. Statements in application.

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

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

268 *B. Not later than July 15, 1998, the lessor of a qualifying vehicle, as defined in § 58.1-3523, shall*
269 *send a report to the Department for each such qualifying vehicle it was leasing as of July 1, 1998, and*
270 *has leased between January 1, 1998, and June 30, 1998, containing (i) the name and address of the*
271 *lessee as it appears in the lease contract; (ii) the social security number of the lessee; and (iii) the*
272 *registration number of the vehicle as described under Article 1 (§ 46.2-600 et seq.) of Chapter 6 of Title*
273 *46.2.*

274 *C. Beginning with August 1998, such lessor shall send a monthly report to the Department, by the*
275 *fifteenth day of the month or such later day as may be prescribed in the guidelines promulgated under*
276 *§ 58.1-3532, listing any changes, additions or deletions to the information provided under subsection B*
277 *as of the last day of the preceding month.*

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

280 CHAPTER 35.1.

281 PERSONAL PROPERTY TAX RELIEF ACT OF 1998.

282 § 58.1-3523. Definitions.

283 As used in this chapter:

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

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

289 "Department" means the Department of Motor Vehicles.

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

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

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

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

296 "Qualifying vehicle" means any passenger car, motorcycle, and pickup or panel truck, as those terms
297 are defined in § 46.2-100, that is determined by the commissioner of the revenue of the county or city in
298 which the vehicle has situs as provided by § 58.1-3511 to be (i) privately owned or (ii) leased pursuant
299 to a contract requiring the lessee to pay the tangible personal property tax on such vehicle. In

300 determining whether a vehicle is a qualifying vehicle, the commissioner of revenue may rely on the
 301 registration of such vehicle with the Department pursuant to Chapter 6 (§ 46.2-600 et seq.) of Title
 302 46.2.

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

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

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

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

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

321 § 58.1-3524. Reimbursement of tangible personal property taxes; deduction on tangible personal
 322 property tax bills.

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

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

	Percentage Level
334 1. For any tax year beginning in	12.5 percent of the reimbursable
335 calendar year 1998	amount for each qualifying vehicle
336 2. For any tax year beginning in	27.5 percent of the reimbursable
337 calendar year 1999	amount for each qualifying vehicle
338 3. For any tax year beginning in	47.5 percent of the reimbursable
339 calendar year 2000	amount for each qualifying vehicle
340 4. For any tax year beginning in	70 percent of the reimbursable
341 calendar year 2001	amount for each qualifying vehicle
342 5. For any tax year beginning in	100 percent of the reimbursable
343 calendar year 2002 and tax	amount for each qualifying vehicle
344 years thereafter	

345
 346
 347 C. Notwithstanding the schedule set forth in subsection B, the percentage level for each qualifying
 348 vehicle to be paid by the Commonwealth for a tax year shall not be increased at the beginning of any
 349 calendar year above the percentage level paid by the Commonwealth in the preceding tax year if:

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

353 2. The general fund revenue forecast provided by the Governor in December pursuant to § 2.1-393
 354 indicates that general fund revenues, excluding transfers, for any fiscal year will be less than five
 355 percent greater than general fund revenues for the immediately preceding fiscal year; or

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

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

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

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

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

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

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

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

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

392 § 58.1-3525. Reimbursement to taxpayers for tax year 1998 levies.

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

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

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

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

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

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

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

412 a. On or before January 31, 1999, the commissioner of revenue shall certify the value of each
 413 qualifying vehicle to the treasurer of the locality. No further certification shall be required if the
 414 commissioner of revenue has, within the certified property book provided to the treasurer pursuant to
 415 § 58.1-3118, identified each qualifying vehicle and its value, as defined in this chapter.

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

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

421 request to the Comptroller for payment.

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

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

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

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

432 C. If (i) the situs for the assessment and taxation of a qualifying vehicle, as determined pursuant to
433 § 58.1-3511, changes in tax year 1998 and (ii) the county, city, or town in which the qualifying vehicle
434 first had situs in tax year 1998 levied a tangible personal property tax on such vehicle for all twelve
435 months of tax year 1998, the reimbursement under this section shall be made only for tangible personal
436 property taxes paid to such county, city, or town.

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

439 E. The reimbursement provided under this section for a qualifying vehicle which is leased shall be
440 paid directly to the lessee of such vehicle.

441 § 58.1-3526. Payment to treasurers for tax year 1999 and thereafter.

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

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

453 C. Except as provided by subsection B of § 58.1-3528, upon full payment of the tangible personal
454 property tax levied on a qualifying vehicle, less the amount of the deduction, as described in subsection
455 B of this section, the treasurer shall make a request to the Commonwealth for payment of the amount
456 equal to the amount specified in subdivisions B 2 through B 5 of § 58.1-3524 for the qualifying vehicle.
457 Such request shall include a summary of the information appearing on the related tangible personal
458 property tax bill. The summary information to be included in the request and the form of such request
459 shall be prescribed by the Comptroller. Upon receipt of such information, the Comptroller shall issue
460 the proper warrant for payment by the State Treasurer. If the Comptroller determines that a treasurer is
461 unable to provide the summary information, he shall issue a warrant for payment to such treasurer in
462 an amount equal to the estimate made by the Department under § 58.1-3529. Provided that the request
463 for payment is received by the deadlines established and in the format prescribed by the Comptroller, he
464 shall issue the warrant for payment no later than two business days after the receipt of the request from
465 the treasurer.

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

471 2. Except as provided in subdivision D 3, if a taxpayer is not required to return to the treasurer any
472 payment of tangible personal property tax for a qualifying vehicle, the amount as determined under
473 subdivisions B 2 through B 5 of § 58.1-3524 for such qualifying vehicle shall be paid by the
474 Commonwealth to the treasurer over a four-week period. There shall be one equal payment in each
475 week. The first payment shall be made four weeks prior to the county, city, or town's due date for
476 tangible personal property taxes on qualifying vehicles as of January 1, 1998. However, the Comptroller
477 shall not issue a warrant for payment unless he has received the certification described in
478 § 58.1-3916.01.

479 3. If (i) a taxpayer is not required to return to the treasurer any payment of tangible personal
480 property tax for a qualifying vehicle and (ii) the tangible personal property tax levy on such vehicle has
481 been made as authorized under § 58.1-3516, the amount as determined under subdivisions B 2 through

482 B 5 of § 58.1-3524 for such qualifying vehicle shall be paid by the Commonwealth to the treasurer at
 483 such times as are consistent with the treasurer's receipt of tangible personal property tax payments on
 484 qualifying vehicles as of January 1, 1998.

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

488 § 58.1-3527. Reconciliation of amounts paid to counties, cities, and towns.

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

498 § 58.1-3528. Interest; Commonwealth to make payments when taxes paid in full.

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

500 B. The Commonwealth shall not make the reimbursement to a taxpayer, as provided under
 501 § 58.1-3525, unless the tangible personal property taxes for the related qualifying vehicle have been
 502 paid in full.

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

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

512 § 58.1-3529. Estimate of payments to be made by the Commonwealth.

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

518 § 58.1-3530. Payments to taxpayers subject to Setoff Debt Collection Act.

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

521 § 58.1-3531. Full payment of tangible personal property tax on qualifying vehicles not made.

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

524 1. If a taxpayer fails to make the payment described in subsection B of § 58.1-3526 by its due date
 525 or fails to comply with the filing requirements for qualifying vehicles under §§ 58.1-3518 and
 526 58.1-3518.1, no interest may be imposed on any amount to be paid by the Commonwealth as determined
 527 under subdivisions B 2 through B 5 of § 58.1-3524. In calculating penalties to be imposed on the
 528 taxpayer for failure to make the payment described in subsection B of § 58.1-3526 by its due date or for
 529 failure of the taxpayer to comply with the filing requirements for qualifying vehicles under §§ 58.1-3518
 530 and 58.1-3518.1, the treasurer may take into consideration the full amount of the tangible personal
 531 property tax levied including any amount to be paid by the Commonwealth as determined under
 532 subdivisions B 2 through B 5 of § 58.1-3524 and any other relevant information.

533 2. If a taxpayer (i) fails to comply with the filing requirements for a qualifying vehicle under
 534 §§ 58.1-3518 and 58.1-3518.1 and (ii) is not required to return to the treasurer any payment of tangible
 535 personal property tax for such vehicle, no new or replacement local motor vehicle license for such
 536 vehicle, as described in Article 11 (§ 46.2-750 et seq.) of Chapter 6 of Title 46.2 shall be issued until
 537 the taxpayer complies with such filing requirements.

538 § 58.1-3532. Department to promulgate guidelines.

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

543 guidelines shall be available for distribution to local governments on July 1, 1998. Thereafter, the
544 guidelines shall be updated annually.

545 § 58.1-3533. Personal Property Tax Relief Fund.

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

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

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

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

561 § 58.1-3534. Department to furnish information to commissioners of revenue.

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

566 § 58.1-3535. Commissioner of the revenue to furnish information to the treasurer.

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

569 § 58.1-3536. Limitation on payments to treasurers.

570 A. The Governor shall not submit any budget bill pursuant to subsection A of § 2.1-399 or any
571 amendments to a general appropriation act pursuant to subsection B of § 2.1-399 for fiscal year
572 2000-2001 or any fiscal year thereafter that propose the appropriation of an amount that exceeds a
573 total of eight and one-half percent of the amount of total general fund revenues available for
574 appropriation for payments in any fiscal year to treasurers pursuant to § 58.1-3526.

575 B. If a general fund revenue forecast provided by the Governor in December of any year pursuant to
576 § 2.1-393 indicates that the appropriation of funds for payments to treasurers at the level stated in the
577 Commissioner's certificate made pursuant to subsection B of § 58.1-3533 would exceed such eight and
578 one-half percent limitation, then the percentage amount determined under subsection B of § 58.1-3524
579 shall be reduced to a percentage of the reimbursable amount of each qualifying vehicle, to be
580 determined by the Department, that would require the amount to be paid by the Commonwealth to
581 treasurers for payments to treasurers to not exceed such eight and one-half percent limitation. Upon
582 determining such reduced percentage, the Department shall notify treasurers of the reduced percentage.

583 C. For any tax year corresponding to the fiscal year for which the percentage of payment is reduced
584 as provided in subsection B, the Commonwealth shall pay to treasurers the reduced percentage of the
585 reimbursable amount of each qualifying vehicle, if the conditions of subsections B through E of
586 § 58.1-3526 are satisfied.

587 D. Treasurers shall include the product obtained by multiplying the reduced percentage by the
588 reimbursable amount for the qualifying vehicle as a deduction on tangible personal property tax bills
589 for such tax year. However, if the percentage for the current tax year is reduced after a locality has
590 mailed its tangible personal property tax bills for qualifying vehicles for such tax year, the locality may
591 issue an additional assessment for the amount of the difference between the percentage amount for the
592 tax year reflected on the original assessment and the reduced amount of the deduction. If the percentage
593 for the current tax year is reduced before a locality has mailed its tangible personal property tax bills
594 for qualifying vehicles for such tax year, the locality may adjust each taxpayer's tangible personal
595 property tax bill to reflect the reduced amount of the deduction.

596 § 58.1-3912. Treasurers to mail certain bills to taxpayers; penalties.

597 A. The treasurer of every city and county shall, as soon as reasonably possible in each year, but not
598 later than fourteen days prior to the due date of the taxes, send or cause to be sent by United States
599 mail to each taxpayer assessed with taxes and levies for that year amounting to five dollars or more as
600 shown by an assessment book in such treasurer's office, a bill or bills setting forth the amounts due. The
601 treasurer may employ the services of a mailing service or other vendor for fulfilling the requirements of
602 this section. The failure of any such treasurer to comply with this section shall be a Class 4
603 misdemeanor. Such treasurer shall be deemed in compliance with this section as to any taxes due on

604 real estate if, upon certification by the obligee of any note or other evidence of debt secured by a
 605 mortgage or deed of trust on such real estate that an agreement has been made with the obligor in
 606 writing within the mortgage or deed of trust instrument that such arrangements be made, he mails the
 607 bill for such taxes to the obligee thereof. Upon nonpayment of taxes by either the obligee or obligor, a
 608 past-due tax bill will be sent to the taxpayer. No governing body shall publish the name of a taxpayer in
 609 connection with a tax debt for which a bill was not sent, without first sending a notice of deficiency to
 610 his last known address at least two weeks before such publication.

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

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

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

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

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

634 § 58.1-3916.01. Billing and due dates for personal property tax on qualifying vehicles.

635 Notwithstanding any changes a county, city, or town may adopt regarding its billing date or due
 636 date for tangible personal property tax or any proration ordinance which may be adopted pursuant to
 637 § 58.1-3516 or § 58.1-3516.1, payment by the Commonwealth for qualifying vehicles as defined in
 638 § 58.1-3523 to any county, city, or town shall be made in accordance with the provisions of § 58.1-3526
 639 at such times as are consistent with each locality's billing date or due date in effect on January 1, 1998,
 640 for tangible personal property tax. The treasurer shall certify such billing dates and due dates in effect
 641 on January 1, 1998, to the Comptroller by January 1, 1999.

642 2. § 1. That the Commission on State Funding of Public School Construction is hereby established. The
 643 Commission shall be composed of 12 members, which shall include 7 legislative members and 5
 644 nonlegislative citizen members as follows: the Co-Chairmen of the House Committee on Appropriations,
 645 or their respective designees, the Co-Chairmen of the House Committee on Finance, or their respective
 646 designees; the Co-Chairs of the Senate Committee on Finance, or their respective designees, one
 647 additional member of the Senate to be appointed by the Senate Committee on Privileges and Elections;
 648 and five citizen members, who may or may not be employees of the Commonwealth, to be appointed by
 649 the Governor.

650 § 2. The Commission shall recommend to the General Assembly (i) a statewide method for assessing
 651 and quantifying the public school construction and renovation needs of local governments and (ii)
 652 specific eligibility and needs criteria to govern the disbursement and apportionment of funds to local
 653 school divisions under the Virginia Public School Construction Grants Program. The eligibility and
 654 needs criteria shall include, but need not be limited to, provisions which address the following: (i)
 655 factors to be applied to all localities to measure actual need; (ii) factors to be applied to all localities
 656 to measure local effort to meet actual need; (iii) factors to be applied to all localities to measure local
 657 ability to pay for actual need; (iv) factors to be applied to all localities to recognize local innovations
 658 and activities to improve the quality of and options for education, including, but not limited to, efforts to
 659 reduce class sizes; (v) appropriate combinations of funding resources for the eligible projects, including
 660 grant funds, local funds, Literary Fund loans, and bonds or other funding through the Virginia Public
 661 School Authority, and moneys obtained from any other public or private funding sources; (vi)
 662 restrictions on the use of grant funds, if any; (vii) requirements for the availability and pledge of local
 663 matching funds; and (viii) procedures for determining priority for awarding grants to qualifying school
 664 divisions.

665 § 3. *The Senate Committee on Finance, the House Committee on Appropriations, and the Division of*
666 *Legislative Services shall provide staff support for the Commission. All agencies of the Commonwealth*
667 *shall provide assistance to the Commission, upon request.*

668 § 4. *The Commission shall complete its work in time to submit its findings and recommendations to*
669 *the Governor and the 2000 Session of the General Assembly.*

670 **3. That, notwithstanding any other provision of law to the contrary, the provisions of this act**
671 **relating to the Virginia Public School Construction Grants Program shall be deemed to constitute**
672 **the plan for school construction funding contained in the 1998-2000 Appropriation Act.**

673 **4. That an emergency exists and this act shall be in force from its passage.**