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HOUSE BILL NO. 5082

Offered September 18, 2006

A *BILL to amend and reenact §§ 58.1-815 and 58.1-816 of the Code of Virginia, relating to dedication of certain state recordation tax revenue for transportation purposes.*

Patrons—Wardrup, Callahan, Albo, Athey, Cole, Cosgrove, Frederick, Gear, Hurt, Jones, S.C., Marshall, D.W., May, O'Bannon, Orrock, Rapp, Reid, Rust, Saxman and Welch

Referred to Committee on Appropriations

Be it enacted by the General Assembly of Virginia:

1. That §§ 58.1-815 and 58.1-816 of the Code of Virginia are amended and reenacted as follows:

§ 58.1-815. U.S. Route 58 Corridor Development Fund.

There is hereby created in the Department of the Treasury a special nonreverting fund which shall be a part of the Transportation Trust Fund and which shall be known as the U.S. Route 58 Corridor Development Fund, consisting of the first \$4050 million of annual collections of the state recordation taxes imposed by this chapter; provided, however, this dedication shall not affect the local recordation taxes under §§ 58.1-802 B and 58.1-814. The Fund shall also include such other funds as may be appropriated by the General Assembly from time to time, and designated for this Fund and all interest, dividends and appreciation which may accrue thereto. Any moneys remaining in the Fund at the end of a biennium shall not revert to the General Fund, but shall remain in the Fund. Allocations from this Fund may be paid to any authority, locality or commission for the purposes specified in § 33.1-221.1:2.

§ 58.1-816. Distribution of recordation tax to cities and counties.

A. Effective October 1, 1993, twenty million dollars of the taxes imposed under §§ 58.1-801 through 58.1-809 which are actually paid into the state treasury, shall be distributed among the counties and cities of this Commonwealth in the manner provided in subsection B of this section. Effective July 1, 1994, such annual distribution shall increase to forty million dollars. *Effective July 1, 2007, such annual distribution shall increase to \$100 million.*

B. Subject to any transfers required under §§ 58.1-815.1 and 58.1-816.1, the share of the state taxes distributable under this section among the counties and cities shall be apportioned and distributed quarterly to each county or city by the Comptroller by multiplying the amount to be distributed by a fraction in which the numerator is the amount of the taxes imposed under §§ 58.1-801 through 58.1-809 and actually paid into the state treasury which are attributable to deeds and other instruments recorded in the county or city and the denominator is the amount of taxes imposed under §§ 58.1-801 through 58.1-809 actually paid into the state treasury. All distributions pursuant to this section shall be made on a quarterly basis within thirty days of the end of the quarter. Such quarterly distribution shall equal ten million dollars. Each clerk of the court shall certify to the Comptroller, within fifteen days after the end of the quarter, all amounts collected under §§ 58.1-801 through 58.1-809 and actually paid into the state treasury which are attributable to deeds and other instruments recorded in such county or city.

C. ~~All~~ *For the fiscal year beginning July 1, 2007, up to \$40 million of the moneys distributed to counties and cities pursuant to this section shall may be used for (i) transportation purposes, including, without limitation, construction, administration, operation, improvement, maintenance and financing of transportation facilities, or (ii) public education, and the remainder shall be used for transportation purposes, including, without limitation, construction, administration, operation, improvement, maintenance and financing of transportation facilities.* ~~For each fiscal year beginning on or after July 1, 2008, the entire amount of moneys distributed to counties and cities pursuant to this section shall be used for transportation purposes, including, without limitation, construction, administration, operation, improvement, maintenance and financing of transportation facilities.~~

As used in this section, the term "transportation facilities" shall include all transportation-related facilities including, but not limited to, all highway systems, public transportation or mass transit systems as defined in § 33.1-12, airports as defined in § 5.1-1, and port facilities as defined in § 62.1-140. Such term shall be liberally construed for purposes of this section.

D. If any revenues distributed to a county or city under subsection C of this section are applied or expended for any transportation facilities under the control and jurisdiction of any state agency, board, commission or authority, such transportation facilities shall be constructed, operated, administered, improved and maintained in accordance with laws, rules, regulations, policies and procedures governing such state agency, board, commission or authority; however, in the event these revenues, or a portion thereof, are expended for improving or constructing highways in a county which is subject to the provisions of § 33.1-75.3, such expenditures shall be undertaken in the manner prescribed in that statute.

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58 E. In the case of any distribution to a county or city in which an office sharing agreement pursuant
59 to §§ 15.2-1637 and 15.2-3822 is in effect, the Comptroller shall divide the distribution among the office
60 sharing counties and cities. Each clerk of the court acting pursuant to an office sharing agreement shall
61 certify to the Comptroller, within fifteen days after the end of the quarter, all amounts collected under
62 §§ 58.1-801 through 58.1-809 and actually paid into the state treasury which are attributable to deeds
63 and other instruments recorded on behalf of each county and city.

64 **2. That the provisions of this act shall become effective on July 1, 2007.**

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