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## SENATE BILL NO. 1240

AMENDMENT IN THE NATURE OF A SUBSTITUTE  
(Proposed by the Senate Committee on Education and Health  
on February 2, 2017)

(Patrons Prior to Substitute—Senators Dunnivant, Petersen [SB 1380], and Peake [SB 1570])

A *BILL to amend and reenact §§ 2.2-208, 2.2-2101, as it is currently effective and as it shall become effective, 22.1-212.23, 22.1-253.13:2, 23.1-1100, and 58.1-638 of the Code of Virginia and to amend the Code of Virginia by adding in Title 22.1 a chapter numbered 19.2, consisting of sections numbered 22.1-349.12 through 22.1-349.16, relating to the creation of the Virginia Virtual School.*

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

**1. That §§ 2.2-208, 2.2-2101, as it is currently effective and as it shall become effective, 22.1-212.23, 22.1-253.13:2, 23.1-1100, and 58.1-638 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Title 22.1 a chapter numbered 19.2, consisting of sections numbered 22.1-349.12 through 22.1-349.16, as follows:**

**§ 2.2-208. Position established; agencies for which responsible; powers and duties.**

A. The position of Secretary of Education (the Secretary) is created. The Secretary shall be responsible to the Governor for the following agencies: Department of Education, State Council of Higher Education, Virginia Museum of Fine Arts, The Science Museum of Virginia, Frontier Culture Museum of Virginia, The Library of Virginia, Jamestown-Yorktown Foundation, Board of Regents of Gunston Hall, the Commission for the Arts, ~~and~~ the Board of Visitors of the Virginia School for the Deaf and the Blind, *and the Board of the Virginia Virtual School*. The Governor may, by executive order, assign any other state executive agency to the Secretary, or reassign any agency listed above to another Secretary.

B. Unless the Governor expressly reserves such a power to himself, the Secretary may (i) resolve administrative, jurisdictional, or policy conflicts between any agencies or officers for which he is responsible and (ii) provide policy direction for programs involving more than a single agency.

C. The Secretary may direct the preparation of alternative policies, plans, and budgets for education for the Governor and, to that end, may require the assistance of the agencies for which he is responsible.

D. The Secretary shall direct the formulation of a comprehensive program budget for cultural affairs encompassing the programs and activities of the agencies involved in cultural affairs.

E. The Secretary shall consult with the agencies for which he is responsible and biennially report to the General Assembly on the coordination efforts among such agencies.

**§ 2.2-2101. (Effective until July 1, 2017) Prohibition against service by legislators on boards, commissions, and councils within the executive branch; exceptions.**

Members of the General Assembly shall be ineligible to serve on boards, commissions, and councils within the executive branch of state government who are responsible for administering programs established by the General Assembly. Such prohibition shall not extend to boards, commissions, and councils engaged solely in policy studies or commemorative activities. If any law directs the appointment of any member of the General Assembly to a board, commission, or council in the executive branch of state government that is responsible for administering programs established by the General Assembly, such portion of such law shall be void, and the Governor shall appoint another person from the Commonwealth at large to fill such a position.

The provisions of this section shall not apply to members of the Board for Branch Pilots, who shall be appointed as provided for in § 54.1-901; to members of the Board of Trustees of the Southwest Virginia Higher Education Center, who shall be appointed as provided for in § 23.1-3126; to members of the Board of Trustees of the Southern Virginia Higher Education Center, who shall be appointed as provided for in § 23.1-3121; to members of the Board of Directors of the New College Institute who shall be appointed as provided for in § 23.1-3112; to members of the Virginia Interagency Coordinating Council who shall be appointed as provided for in § 2.2-5204; to members of the Board of Veterans Services, who shall be appointed as provided for in § 2.2-2452; to members appointed to the Board of Trustees of the Roanoke Higher Education Authority pursuant to § 23.1-3117; to members of the Virginia Geographic Information Network Advisory Board, who shall be appointed as provided for in § 2.2-2423; to members of the Standards of Learning Innovation Committee, who shall be appointed as provided for in § 22.1-253.13:10; to members of the Board of Visitors of the Virginia School for the Deaf and the Blind, who shall be appointed as provided for in § 22.1-346.2; *to members of the Board of the Virginia Virtual School, who shall be appointed as provided for in § 22.1-349.12*; to members of the Substance Abuse Services Council, who shall be appointed as provided for in § 2.2-2696; to members of the Criminal Justice Services Board, who shall be appointed as provided in § 9.1-108; to members of the Council on Virginia's Future, who shall be appointed as provided for in § 2.2-2685; to members of the

60 State Executive Council for Children's Services, who shall be appointed as provided in § 2.2-2648; to  
 61 members of the Virginia Board of Workforce Development, who shall be appointed as provided for in  
 62 § 2.2-2471; to members of the Volunteer Firefighters' and Rescue Squad Workers' Service Award Fund  
 63 Board, who shall be appointed as provided for in § 51.1-1201; to members of the Secure Commonwealth  
 64 Panel, who shall be appointed as provided for in § 2.2-222.3; to members of the Forensic Science  
 65 Board, who shall be appointed as provided for in § 9.1-1109; to members of the Southwest Virginia  
 66 Cultural Heritage Foundation, who shall be appointed as provided in § 2.2-2735; or to members of the  
 67 Virginia Growth and Opportunity Board, who shall be appointed as provided in § 2.2-2485.

68 **§ 2.2-2101. (Effective July 1, 2017) Prohibition against service by legislators on boards,**  
 69 **commissions, and councils within the executive branch; exceptions.**

70 Members of the General Assembly shall be ineligible to serve on boards, commissions, and councils  
 71 within the executive branch of state government who are responsible for administering programs  
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 83 shall be appointed as provided for in § 23.1-3112; to members of the Virginia Interagency Coordinating  
 84 Council who shall be appointed as provided for in § 2.2-5204; to members of the Board of Veterans  
 85 Services, who shall be appointed as provided for in § 2.2-2452; to members appointed to the Board of  
 86 Trustees of the Roanoke Higher Education Authority pursuant to § 23.1-3117; to members of the  
 87 Virginia Geographic Information Network Advisory Board, who shall be appointed as provided for in  
 88 § 2.2-2423; to members of the Standards of Learning Innovation Committee, who shall be appointed as  
 89 provided for in § 22.1-253.13:10; to members of the Board of Visitors of the Virginia School for the  
 90 Deaf and the Blind, who shall be appointed as provided for in § 22.1-346.2; *to members of the Board of*  
 91 *the Virginia Virtual School, who shall be appointed as provided for in § 22.1-349.12;* to members of the  
 92 Substance Abuse Services Council, who shall be appointed as provided for in § 2.2-2696; to members of  
 93 the Criminal Justice Services Board, who shall be appointed as provided in § 9.1-108; to members of the  
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 100 Cultural Heritage Foundation, who shall be appointed as provided in § 2.2-2735; or to members of the  
 101 Virginia Growth and Opportunity Board, who shall be appointed as provided in § 2.2-2485.

102 **§ 22.1-212.23. Definitions.**

103 As used in this article:

104 "Multidivision online provider" means (i) a private or nonprofit organization that enters into a  
 105 contract with a local school board to provide online courses or programs through that school board to  
 106 students who reside in Virginia both within and outside the geographical boundaries of that school  
 107 division; (ii) a private or nonprofit organization that enters into contracts with multiple local school  
 108 boards to provide online courses or programs to students in grades K through 12 through those school  
 109 boards; ~~or~~ (iii) a local school board that provides online courses or programs to students who reside in  
 110 Virginia but outside the geographical boundaries of that school division; *or (iv) a private or nonprofit*  
 111 *organization that enters into a contract with the Board of the Virginia Virtual School, as established in*  
 112 *§ 22.1-349.12, to provide full-time virtual school programs through the school to students who reside in*  
 113 *Virginia.* However, "multidivision online provider" ~~shall~~ *does* not include (a) a local school board's  
 114 online learning program in which fewer than 10 percent of the students enrolled reside outside the  
 115 geographical boundaries of that school division; (b) multiple local school boards that establish joint  
 116 online courses or programs in which fewer than 10 percent of the students enrolled reside outside the  
 117 geographical boundaries of those school divisions; (c) local school boards that provide online learning  
 118 courses or programs for their students through an arrangement with a public or private institution of  
 119 higher education; or (d) local school boards providing online courses or programs through a private or  
 120 nonprofit organization that has been approved as a multidivision online provider.

121 "Online course" means a course or grade-level subject instruction that (i) is delivered by a

122 multidivision online provider primarily electronically using the Internet or other computer-based methods  
123 and (ii) is taught by a teacher primarily from a remote location, with student access to the teacher given  
124 synchronously, asynchronously, or both.

125 "Virtual school program" means a series of online courses with instructional content that (i) is  
126 delivered by a multidivision online provider primarily electronically using the Internet or other  
127 computer-based methods; (ii) is taught by a teacher primarily from a remote location, with student  
128 access to the teacher given synchronously, asynchronously, or both; (iii) is delivered as a part-time or  
129 full-time program; and (iv) has an online component with online lessons and tools for student and data  
130 management.

131 An online course or virtual school program may be delivered to students at school as part of the  
132 regularly scheduled school day.

133 **§ 22.1-253.13:2. Standard 2. Instructional, administrative, and support personnel.**

134 A. The Board shall establish requirements for the licensing of teachers, principals, superintendents,  
135 and other professional personnel.

136 B. School boards shall employ licensed instructional personnel qualified in the relevant subject areas.

137 C. Each school board shall assign licensed instructional personnel in a manner that produces  
138 divisionwide ratios of students in average daily membership to full-time equivalent teaching positions,  
139 excluding special education teachers, principals, assistant principals, counselors, and librarians, that are  
140 not greater than the following ratios: (i) 24 to one in kindergarten with no class being larger than 29  
141 students; if the average daily membership in any kindergarten class exceeds 24 pupils, a full-time  
142 teacher's aide shall be assigned to the class; (ii) 24 to one in grades one, two, and three with no class  
143 being larger than 30 students; (iii) 25 to one in grades four through six with no class being larger than  
144 35 students; and (iv) 24 to one in English classes in grades six through 12. After September 30 of any  
145 school year, anytime the number of students in a class exceeds the class size limit established by this  
146 subsection, the local school division shall notify the parent of each student in such class of such fact no  
147 later than 10 days after the date on which the class exceeded the class size limit. Such notification shall  
148 state the reason that the class size exceeds the class size limit and describe the measures that the local  
149 school division will take to reduce the class size to comply with this subsection.

150 Within its regulations governing special education programs, the Board shall seek to set pupil/teacher  
151 ratios for pupils with intellectual disability that do not exceed the pupil/teacher ratios for self-contained  
152 classes for pupils with specific learning disabilities.

153 Further, school boards shall assign instructional personnel in a manner that produces schoolwide  
154 ratios of students in average daily memberships to full-time equivalent teaching positions of 21 to one in  
155 middle schools and high schools. School divisions shall provide all middle and high school teachers with  
156 one planning period per day or the equivalent, unencumbered of any teaching or supervisory duties.

157 D. Each local school board shall employ with state and local basic, special education, gifted, and  
158 career and technical education funds a minimum number of licensed, full-time equivalent instructional  
159 personnel for each 1,000 students in average daily membership (ADM) as set forth in the appropriation  
160 act. Calculations of kindergarten positions shall be based on full-day kindergarten programs. Beginning  
161 with the March 31 report of average daily membership, those school divisions offering half-day  
162 kindergarten with pupil/teacher ratios that exceed 30 to one shall adjust their average daily membership  
163 for kindergarten to reflect 85 percent of the total kindergarten average daily memberships, as provided in  
164 the appropriation act.

165 E. In addition to the positions supported by basic aid and in support of regular school year programs  
166 of prevention, intervention, and remediation, state funding, pursuant to the appropriation act, shall be  
167 provided to fund certain full-time equivalent instructional positions for each 1,000 students in grades K  
168 through 12 who are identified as needing prevention, intervention, and remediation services. State  
169 funding for prevention, intervention, and remediation programs provided pursuant to this subsection and  
170 the appropriation act may be used to support programs for educationally at-risk students as identified by  
171 the local school boards.

172 To provide algebra readiness intervention services required by § 22.1-253.13:1, school divisions may  
173 employ mathematics teacher specialists to provide the required algebra readiness intervention services.  
174 School divisions using the Standards of Learning Algebra Readiness Initiative funding in this manner  
175 shall only employ instructional personnel licensed by the Board of Education.

176 F. In addition to the positions supported by basic aid and those in support of regular school year  
177 programs of prevention, intervention, and remediation, state funding, pursuant to the appropriation act,  
178 shall be provided to support 17 full-time equivalent instructional positions for each 1,000 students  
179 identified as having limited English proficiency.

180 To provide flexibility in the instruction of English language learners who have limited English  
181 proficiency and who are at risk of not meeting state accountability standards, school divisions may use  
182 state and local funds from the Standards of Quality Prevention, Intervention, and Remediation account to

183 employ additional English language learner teachers to provide instruction to identified limited English  
184 proficiency students. Using these funds in this manner is intended to supplement the instructional  
185 services provided in this section. School divisions using the SOQ Prevention, Intervention, and  
186 Remediation funds in this manner shall employ only instructional personnel licensed by the Board of  
187 Education.

188 G. In addition to the full-time equivalent positions required elsewhere in this section, each local  
189 school board shall employ the following reading specialists in elementary schools, one full-time in each  
190 elementary school at the discretion of the local school board.

191 To provide reading intervention services required by § 22.1-253.13:1, school divisions may employ  
192 reading specialists to provide the required reading intervention services. School divisions using the Early  
193 Reading Intervention Initiative funds in this manner shall employ only instructional personnel licensed  
194 by the Board of Education.

195 H. Each local school board shall employ, at a minimum, the following full-time equivalent positions  
196 for any school that reports fall membership, according to the type of school and student enrollment:

197 1. Principals in elementary schools, one half-time to 299 students, one full-time at 300 students;  
198 principals in middle schools, one full-time, to be employed on a 12-month basis; principals in high  
199 schools, one full-time, to be employed on a 12-month basis;

200 2. Assistant principals in elementary schools, one half-time at 600 students, one full-time at 900  
201 students; assistant principals in middle schools, one full-time for each 600 students; assistant principals  
202 in high schools, one full-time for each 600 students; and school divisions that employ a sufficient  
203 number of assistant principals to meet this staffing requirement may assign assistant principals to schools  
204 within the division according to the area of greatest need, regardless of whether such schools are  
205 elementary, middle, or secondary;

206 3. Librarians in elementary schools, one part-time to 299 students, one full-time at 300 students;  
207 librarians in middle schools, one-half time to 299 students, one full-time at 300 students, two full-time  
208 at 1,000 students; librarians in high schools, one half-time to 299 students, one full-time at 300 students,  
209 two full-time at 1,000 students. Local school divisions that employ a sufficient number of librarians to  
210 meet this staffing requirement may assign librarians to schools within the division according to the area  
211 of greatest need, regardless of whether such schools are elementary, middle, or secondary; and

212 4. Guidance counselors in elementary schools, one hour per day per 100 students, one full-time at  
213 500 students, one hour per day additional time per 100 students or major fraction thereof; guidance  
214 counselors in middle schools, one period per 80 students, one full-time at 400 students, one additional  
215 period per 80 students or major fraction thereof; guidance counselors in high schools, one period per 70  
216 students, one full-time at 350 students, one additional period per 70 students or major fraction thereof.  
217 Local school divisions that employ a sufficient number of guidance counselors to meet this staffing  
218 requirement may assign guidance counselors to schools within the division according to the area of  
219 greatest need, regardless of whether such schools are elementary, middle, or secondary.

220 I. Local school boards shall employ five full-time equivalent positions per 1,000 students in grades  
221 kindergarten through five to serve as elementary resource teachers in art, music, and physical education.

222 J. Local school boards shall employ two full-time equivalent positions per 1,000 students in grades  
223 kindergarten through 12, one to provide technology support and one to serve as an instructional  
224 technology resource teacher.

225 To provide flexibility, school divisions may use the state and local funds for instructional technology  
226 resource teachers to employ a data coordinator position, an instructional technology resource teacher  
227 position, or a data coordinator/instructional resource teacher blended position. The data coordinator  
228 position is intended to serve as a resource to principals and classroom teachers in the area of data  
229 analysis and interpretation for instructional and school improvement purposes, as well as for overall data  
230 management and administration of state assessments. School divisions using these funds in this manner  
231 shall employ only instructional personnel licensed by the Board of Education.

232 K. Local school boards may employ additional positions that exceed these minimal staffing  
233 requirements. These additional positions may include, but are not limited to, those funded through the  
234 state's incentive and categorical programs as set forth in the appropriation act.

235 L. A combined school, such as kindergarten through 12, shall meet at all grade levels the staffing  
236 requirements for the highest grade level in that school; this requirement shall apply to all staff, except  
237 for guidance counselors, and shall be based on the school's total enrollment; guidance counselor staff  
238 requirements shall, however, be based on the enrollment at the various school organization levels, i.e.,  
239 elementary, middle, or high school. The Board of Education may grant waivers from these staffing  
240 levels upon request from local school boards seeking to implement experimental or innovative programs  
241 that are not consistent with these staffing levels.

242 M. School boards shall, however, annually, on or before January 1, report to the public the actual  
243 pupil/teacher ratios in elementary school classrooms by school for the current school year. Such actual  
244 ratios shall include only the teachers who teach the grade and class on a full-time basis and shall

245 exclude resource personnel. School boards shall report pupil/teacher ratios that include resource teachers  
 246 in the same annual report. Any classes funded through the voluntary kindergarten through third grade  
 247 class size reduction program shall be identified as such classes. Any classes having waivers to exceed  
 248 the requirements of this subsection shall also be identified. Schools shall be identified; however, the data  
 249 shall be compiled in a manner to ensure the confidentiality of all teacher and pupil identities.

250 N. Students enrolled in a public school on a less than full-time basis shall be counted in ADM in the  
 251 relevant school division. Students who are either (i) enrolled in a nonpublic school or (ii) receiving  
 252 home instruction pursuant to § 22.1-254.1, and who are enrolled in public school on a less than full-time  
 253 basis in any mathematics, science, English, history, social science, career and technical education, fine  
 254 arts, foreign language, or health education or physical education course shall be counted in the ADM in  
 255 the relevant school division on a pro rata basis as provided in the appropriation act. Each such course  
 256 enrollment by such students shall be counted as 0.25 in the ADM; however, no such nonpublic or home  
 257 school student shall be counted as more than one-half a student for purposes of such pro rata  
 258 calculation. Such calculation shall not include enrollments of such students in any other public school  
 259 courses.

260 O. Each local school board shall provide those support services that are necessary for the efficient  
 261 and cost-effective operation and maintenance of its public schools.

262 For the purposes of this title, unless the context otherwise requires, "support services positions" shall  
 263 include the following:

264 1. Executive policy and leadership positions, including school board members, superintendents and  
 265 assistant superintendents;

266 2. Fiscal and human resources positions, including fiscal and audit operations;

267 3. Student support positions, including (i) social workers and social work administrative positions; (ii)  
 268 guidance administrative positions not included in subdivision H 4; (iii) homebound administrative  
 269 positions supporting instruction; (iv) attendance support positions related to truancy and dropout  
 270 prevention; and (v) health and behavioral positions, including school nurses and school psychologists;

271 4. Instructional personnel support, including professional development positions and library and  
 272 media positions not included in subdivision H 3;

273 5. Technology professional positions not included in subsection J;

274 6. Operation and maintenance positions, including facilities; pupil transportation positions; operation  
 275 and maintenance professional and service positions; and security service, trade, and laborer positions;

276 7. Technical and clerical positions for fiscal and human resources, student support, instructional  
 277 personnel support, operation and maintenance, administration, and technology; and

278 8. School-based clerical personnel in elementary schools; part-time to 299 students, one full-time at  
 279 300 students; clerical personnel in middle schools; one full-time and one additional full-time for each  
 280 600 students beyond 200 students and one full-time for the library at 750 students; clerical personnel in  
 281 high schools; one full-time and one additional full-time for each 600 students beyond 200 students and  
 282 one full-time for the library at 750 students. Local school divisions that employ a sufficient number of  
 283 school-based clerical personnel to meet this staffing requirement may assign the clerical personnel to  
 284 schools within the division according to the area of greatest need, regardless of whether such schools are  
 285 elementary, middle, or secondary.

286 Pursuant to the appropriation act, support services shall be funded from basic school aid.

287 School divisions may use the state and local funds for support services to provide additional  
 288 instructional services.

289 P. Notwithstanding the provisions of this section, when determining the assignment of instructional  
 290 and other licensed personnel in subsections C through J, a *neither the Virginia Virtual School nor any*  
 291 local school board shall ~~not~~ be required to include full-time students of approved virtual school  
 292 programs.

#### 293 CHAPTER 19.2.

#### 294 VIRGINIA VIRTUAL SCHOOL.

#### 295 § 22.1-349.12. Board of the Virginia Virtual School established.

296 A. There is hereby established the Board of the Virginia Virtual School, referred to in this chapter as  
 297 "the Board," as a policy agency in the executive branch of government under the name of the "Board of  
 298 the Virginia Virtual School," for the purpose of governing the full-time online educational programs and  
 299 services provided to students enrolled in the Virginia Virtual School, referred to in this chapter as "the  
 300 School." The members of the Board of the School shall be appointed by August 1, 2018. The Board  
 301 shall be charged with the operational control of the School. In exercising this operational control, the  
 302 Board may make budget recommendations to the Governor for state funding for the School. The Board  
 303 and the School shall be designated as a local educational agency (LEA), but the School shall not  
 304 constitute a school division.

305 B. The Board shall have a total membership of 14 members that shall consist of seven legislative

306 members, the Superintendent of Public Instruction, and six nonlegislative citizen members. Members  
 307 shall be appointed as follows: four members of the House of Delegates, to be appointed by the Speaker  
 308 of the House of Delegates in accordance with the principles of proportional representation contained in  
 309 the Rules of the House of Delegates; three members of the Senate, to be appointed by the Senate  
 310 Committee on Rules; the Superintendent of Public Instruction; and six nonlegislative citizen members,  
 311 one of whom shall be the parent of a student enrolled in a full-time online virtual school program, one  
 312 of whom shall be a current member of the Board of Education, one of whom shall be an expert in  
 313 distance or online learning, and all of whom shall be appointed by the Governor, subject to  
 314 confirmation by the General Assembly. Nonlegislative citizen members of the Board shall be citizens of  
 315 the Commonwealth. Legislative members of the Board and the Superintendent of Public Instruction shall  
 316 serve terms coincident with their terms of office. After the initial staggering of terms, all other  
 317 nonlegislative citizen members shall serve four-year terms. Appointments to fill vacancies, other than by  
 318 expiration of a term, shall be for the unexpired terms. Vacancies shall be filled in the same manner as  
 319 the original appointments. All members may be reappointed. However, no House member shall serve  
 320 more than four consecutive two-year terms, no Senate member shall serve more than two consecutive  
 321 four-year terms, and no nonlegislative citizen member appointed by the Governor shall serve more than  
 322 two consecutive four-year terms. The remainder of any term to which a member is appointed to fill a  
 323 vacancy shall not constitute a term in determining the member's eligibility for reappointment. The Board  
 324 shall elect a chairman and vice-chairman from among its membership. The Board shall elect a  
 325 secretary, who shall keep an accurate record of the proceedings of the Board and of the executive  
 326 committee, if one is created by the Board, and such other officers as the Board deems appropriate. The  
 327 meetings of the Board shall be held at the call of the chairman or whenever the majority of the  
 328 members so request. A majority of the members shall constitute a quorum.

329 C. Legislative members of the Board shall receive such compensation as provided in § 30-19.12, and  
 330 nonlegislative citizen members shall receive such compensation for the performance of their duties as  
 331 provided in § 2.2-2813. All members shall be reimbursed for all reasonable and necessary expenses  
 332 incurred in the performance of their duties as provided in §§ 2.2-2813 and 2.2-2825. Funding for the  
 333 costs of expenses of the members shall be provided from such funds as may be appropriated to the  
 334 Board in accordance with the appropriation act.

335 D. The Superintendent of Public Instruction shall designate a member of the staff of the Department  
 336 of Education to serve as a consultant to the Board on matters pertaining to instruction, federal and  
 337 state special education requirements, and school accreditation and to provide technical assistance to the  
 338 Board in meeting specific instructional and school accreditation needs.

339 E. The Board shall have the following powers and duties:

340 1. Establish rules, policies, and regulations for the governance of the School subject to such criteria  
 341 and conditions as the General Assembly may prescribe;

342 2. Establish rules, policies, and regulations for all multidivision online providers that offer full-time  
 343 virtual school programs to students through the School, in consultation with the Department of  
 344 Education, that shall be subject to the requirements of the Standards of Quality, including the Standards  
 345 of Learning and the Standards of Accreditation, and shall include a process for evaluating and  
 346 suspending, as necessary, contracts with failing multidivision online providers;

347 3. Receive and disburse funds from any source for the purposes of providing education at the  
 348 School;

349 4. Establish a policy for enrollment procedures, including a procedure for the implementation of the  
 350 enrollment limitation set forth in subsection D of § 22.1-349.13; and

351 5. Prepare and submit to the Governor and General Assembly, beginning December 1, 2019, an  
 352 annual report detailing the curricula and other educational programs and services of the School,  
 353 including receipts and disbursements pertaining to the operation of the School for each fiscal year  
 354 ending on June 30.

355 F. With such funds as may be appropriated for such purpose, the Board may hire staff for the  
 356 School, including at least one staff person to coordinate appropriate special education for students with  
 357 disabilities as set forth in § 22.1-349.14.

358 **§ 22.1-349.13. Persons eligible; educational programs to be provided; procedures for enrollment.**

359 A. Any school-age person in the Commonwealth, as determined pursuant to subsection A of  
 360 § 22.1-254, shall be eligible to enroll full-time in the School. Participants in the full-time virtual school  
 361 program of the School shall meet all attendance requirements pursuant to § 22.1-254.

362 B. A student may enroll in the School if his parent (i) determines that access to the educational  
 363 services at the School is in the best interest of such student and (ii) completes the enrollment procedure  
 364 through an approved multidivision online provider that provides full-time virtual school programs  
 365 through the School. A student who attends the School shall only enroll with one multidivision online  
 366 provider at a time.

367 C. Except in the case of any student whose parent is on active duty in any of the Armed Forces of

368 the United States, students shall enroll no later than the June 15 immediately preceding the upcoming  
369 school year.

370 D. The number of persons of school age for whom public schools are free pursuant to § 22.1-3 and  
371 who reside in any one local school division and enroll in the School shall not exceed two percent of the  
372 number of students enrolled in such local school division. The total aggregate number of students who  
373 enroll in the School statewide shall not exceed 5,000.

374 E. At the start of each school year, the School shall report to each relevant local school division the  
375 number of students who reside in such local school division and are enrolled in the School. If any such  
376 student leaves the School during such school year, the School shall report such information to the local  
377 school division in which the student resides.

378 F. The School shall provide an educational program meeting the constitutionally required Standards  
379 of Quality for children in grades kindergarten through 12. The Board may approve such additional  
380 programs as it may deem appropriate. All educational programs shall be provided through an approved  
381 multidivision online provider as defined in § 22.1-212.23.

382 G. The School shall be eligible for accreditation as prescribed by the Board of Education pursuant  
383 to § 22.1-253.13:3.

384 H. Each student enrolled in the School shall take each applicable Standards of Learning assessment.

385 I. The School shall not charge tuition.

386 **§ 22.1-349.14. Special education for students in the Virginia Virtual School.**

387 The School shall provide appropriate special education for students with disabilities enrolled in the  
388 School. The local school division of residence, as defined in § 22.1-349.16, shall be released from the  
389 obligations under § 22.1-215 for the special education of students with disabilities. The Board shall  
390 modify special education program regulations in accordance with this section. Multidivision online  
391 providers for the School may contract for the provision of special education services of a special  
392 education student enrolled in the School in accordance with such student's Individualized Education  
393 Program (IEP).

394 **§ 22.1-349.15. Multidivision online providers for the Virginia Virtual School.**

395 A. Multidivision online providers for the School shall meet the criteria pursuant to subsections A and  
396 B of § 22.1-212.24 to provide full-time virtual school programs.

397 B. The School may enter into contracts, consistent with the criteria approved by the Board of  
398 Education pursuant to subsections A and B of § 22.1-212.24, with any approved multidivision online  
399 provider. Such contracts shall be exempt from the Virginia Public Procurement Act (§ 2.2-4300 et seq.).  
400 The Board of Education shall not limit the ability of an approved multidivision online provider to  
401 contract with the School.

402 C. Any multidivision online provider approved to provide full-time virtual school programs may  
403 provide full-time virtual school programs through the School. Any student may enroll with any one  
404 approved multidivision online provider, and the selection of an approved multidivision online provider  
405 shall be at the discretion of the student's parent. The Board, the Department of Education, and the  
406 Board of Education shall make information regarding the School's online course offerings and capacity  
407 for students of each multidivision online provider publicly available to parents and shall promote all  
408 approved multidivision online providers that contract with the School equally to students seeking  
409 enrollment in the School.

410 **§ 22.1-349.16. Funding.**

411 A. For the purposes of this section, "local school division of residence" means that school division in  
412 which a student enrolled full-time in the School resides.

413 B. Effective starting with the 2019-2020 school year, any student who enrolls full-time in the School  
414 shall have the average state share of Standards of Quality per pupil funding transferred to the School.  
415 The total per pupil funding transferred shall consist of the average per pupil amounts on the basis of  
416 March 31 average daily membership and the per pupil share of state sales tax funding in basic aid. The  
417 Department of Education shall pay the average state share of the Standards of Quality per pupil funding  
418 directly to the School semimonthly. Such state share of per pupil funding shall be based on the  
419 Standards of Quality per pupil funding and per pupil share of state sales tax funding enacted in the  
420 current appropriation act.

421 The Department of Education shall transfer to the School all federal funds described in § 22.1-88  
422 directly associated with any pupil served by the School, including funds for the Individualized Education  
423 Program (IEP) of any special education student in the School.

424 C. Students who enroll on a full-time basis in the School shall be counted in the student enrollment  
425 rate of the School and shall not be counted in the March 31 average daily membership of their local  
426 school division of residence. Such students shall not be counted in the calculation of the required local  
427 effort of the local school division of residence.

428 D. The School shall be responsible for all federal and state accountability requirements applicable to

429 *any student who enrolls full time in the School.*

430 *E. Any costs or fees associated with the administration of the School and approved by the Board*  
431 *shall be borne proportionally by each of the School's approved multidivision online providers.*

432 *F. The School shall submit to periodic audits of its accounts by the Auditor of Public Accounts*  
433 *pursuant to subsection A of § 30-133.*

434 **§ 23.1-1100. Definitions.**

435 As used in this chapter, unless the context requires a different meaning:

436 "Board" means the members of the board of visitors, board of trustees, or other governing board of  
437 an institution.

438 "Bond" means any bond, note, or other evidence of indebtedness or obligation of an institution issued  
439 by an institution pursuant to this chapter.

440 "Erect" includes building, constructing, reconstructing, erecting, demolishing, extending, bettering,  
441 equipping, installing, modifying, and improving.

442 "Institution" means each public institution of higher education, as that term is defined in § 23.1-100;  
443 Eastern Virginia Medical School; the Institute for Advanced Learning and Research; the New College  
444 Institute; the Roanoke Higher Education Authority; the Southern Virginia Higher Education Center; the  
445 Southwest Virginia Higher Education Center; the Virginia School for the Deaf and the Blind; *the*  
446 *Virginia Virtual School*; and the Wilson Workforce and Rehabilitation Center.

447 "Project" means (i) any (a) building, facility, addition, extension, or improvement of a capital nature  
448 that is necessary or convenient to carry out the purposes of an institution, including administration and  
449 teaching facilities, lecture and exhibition halls, libraries, dormitories, student apartments, faculty  
450 dwellings, dining halls, cafeterias, snack bars, laundries, hospitals, laboratories, research centers,  
451 infirmaries, field houses, gymnasiums, auditoriums, student unions, recreation centers, stadiums, athletics  
452 facilities, garages, parking facilities, warehouses and storage buildings, and book and student supplies  
453 centers, or (b) building, land, appurtenance, furnishing, or equipment necessary or desirable in  
454 connection with or incidental to a project or (ii) any personal property at an institution.

455 **§ 58.1-638. Disposition of state sales and use tax revenue.**

456 A. The Comptroller shall designate a specific revenue code number for all the state sales and use tax  
457 revenue collected under the preceding sections of this chapter.

458 1. The sales and use tax revenue generated by the one-half percent sales and use tax increase enacted  
459 by the 1986 Special Session of the General Assembly shall be paid, in the manner hereinafter provided  
460 in this section, to the Transportation Trust Fund as defined in § 33.2-1524. Of the funds paid to the  
461 Transportation Trust Fund, an aggregate of 4.2 percent shall be set aside as the Commonwealth Port  
462 Fund as provided in this section; an aggregate of 2.4 percent shall be set aside as the Commonwealth  
463 Airport Fund as provided in this section; and an aggregate of 14.7 percent shall be set aside as the  
464 Commonwealth Mass Transit Fund as provided in this section. The Fund's share of such net revenue  
465 shall be computed as an estimate of the net revenue to be received into the state treasury each month,  
466 and such estimated payment shall be adjusted for the actual net revenue received in the preceding  
467 month. All payments shall be made to the Fund on the last day of each month.

468 2. There is hereby created in the Department of the Treasury a special nonreverting fund which shall  
469 be a part of the Transportation Trust Fund and which shall be known as the Commonwealth Port Fund.

470 a. The Commonwealth Port Fund shall be established on the books of the Comptroller and the funds  
471 remaining in such Fund at the end of a biennium shall not revert to the general fund but shall remain in  
472 the Fund. Interest earned on such funds shall remain in the Fund and be credited to it. Funds may be  
473 paid to any authority, locality or commission for the purposes hereinafter specified.

474 b. The amounts allocated pursuant to this section shall be allocated by the Commonwealth  
475 Transportation Board to the Board of Commissioners of the Virginia Port Authority to be used to  
476 support port capital needs and the preservation of existing capital needs of all ocean, river, or tributary  
477 ports within the Commonwealth. Expenditures for such capital needs are restricted to those capital  
478 projects specified in subsection B of § 62.1-132.1.

479 c. Commonwealth Port Fund revenue shall be allocated by the Board of Commissioners to the  
480 Virginia Port Authority in order to foster and stimulate the flow of maritime commerce through the  
481 ports of Virginia, including but not limited to the ports of Richmond, Hopewell, and Alexandria.

482 3. There is hereby created in the Department of the Treasury a special nonreverting fund which shall  
483 be part of the Transportation Trust Fund and which shall be known as the Commonwealth Airport Fund.  
484 The Commonwealth Airport Fund shall be established on the books of the Comptroller and any funds  
485 remaining in such Fund at the end of a biennium shall not revert to the general fund but shall remain in  
486 the Fund. Interest earned on the funds shall be credited to the Fund. The funds so allocated shall be  
487 allocated by the Commonwealth Transportation Board to the Virginia Aviation Board. The funds shall  
488 be allocated by the Virginia Aviation Board to any Virginia airport which is owned by the  
489 Commonwealth, a governmental subdivision thereof, or a private entity to which the public has access  
490 for the purposes enumerated in § 5.1-2.16, or is owned or leased by the Metropolitan Washington



491 Airports Authority (MWAA), as follows:

492 Any new funds in excess of \$12.1 million which are available for allocation by the Virginia Aviation  
493 Board from the Commonwealth Transportation Fund, shall be allocated as follows: 60 percent to  
494 MWAA, up to a maximum annual amount of \$2 million, and 40 percent to air carrier airports as  
495 provided in subdivision A 3 a. Except for adjustments due to changes in enplaned passengers, no air  
496 carrier airport sponsor, excluding MWAA, shall receive less funds identified under subdivision A 3 a  
497 than it received in fiscal year 1994-1995.

498 Of the remaining amount:

499 a. Forty percent of the funds shall be allocated to air carrier airports, except airports owned or leased  
500 by MWAA, based upon the percentage of enplanements for each airport to total enplanements at all air  
501 carrier airports, except airports owned or leased by MWAA. No air carrier airport sponsor, however,  
502 shall receive less than \$50,000 nor more than \$2 million per year from this provision.

503 b. Forty percent of the funds shall be allocated by the Aviation Board for air carrier and reliever  
504 airports on a discretionary basis, except airports owned or leased by MWAA.

505 c. Twenty percent of the funds shall be allocated by the Aviation Board for general aviation airports  
506 on a discretionary basis.

507 3a. There is hereby created in the Department of the Treasury a special nonreverting fund that shall  
508 be a part of the Transportation Trust Fund and that shall be known as the Commonwealth Space Flight  
509 Fund. The Commonwealth Space Flight Fund shall be established on the books of the Comptroller and  
510 the funds remaining in such Fund at the end of a biennium shall not revert to the general fund but shall  
511 remain in the Fund. Interest earned on such funds shall remain in the Fund and be credited to it.

512 a. The amounts allocated to the Commonwealth Space Flight Fund pursuant to § 33.2-1526 shall be  
513 allocated by the Commonwealth Transportation Board to the Board of Directors of the Virginia  
514 Commercial Space Flight Authority to be used to support the capital needs, maintenance, and operating  
515 costs of any and all facilities owned and operated by the Virginia Commercial Space Flight Authority.

516 b. Commonwealth Space Flight Fund revenue shall be allocated by the Board of Directors to the  
517 Virginia Commercial Space Flight Authority in order to foster and stimulate the growth of the  
518 commercial space flight industry in Virginia.

519 4. There is hereby created in the Department of the Treasury a special nonreverting fund which shall  
520 be a part of the Transportation Trust Fund and which shall be known as the Commonwealth Mass  
521 Transit Fund.

522 a. The Commonwealth Mass Transit Fund shall be established on the books of the Comptroller and  
523 any funds remaining in such Fund at the end of the biennium shall not revert to the general fund but  
524 shall remain in the Fund. Interest earned on such funds shall be credited to the Fund. If funds in  
525 subdivision 4 b (1)(c) or 4 b (2)(d) are allocated to the construction of a new fixed rail project, such  
526 project shall be evaluated according to the process established pursuant to subsection B of § 33.2-214.1.  
527 Funds may be paid to any local governing body, transportation district commission, or public service  
528 corporation for the purposes hereinafter specified.

529 b. The amounts allocated pursuant to this section shall be used to support the operating, capital, and  
530 administrative costs of public transportation at a state share determined by the Commonwealth  
531 Transportation Board, and these amounts may be used to support the capital project costs of public  
532 transportation and ridesharing equipment, facilities, and associated costs at a state share determined by  
533 the Commonwealth Transportation Board. Capital costs may include debt service payments on local or  
534 agency transit bonds. In making these determinations, the Commonwealth Transportation Board shall  
535 confer with the Director of the Department of Rail and Public Transportation. In development of the  
536 Director's recommendation and subsequent allocation of funds by the Commonwealth Transportation  
537 Board, the Director of the Department of Rail and Public Transportation and the Commonwealth  
538 Transportation Board shall adhere to the following:

539 (1) For the distribution of revenues from the Commonwealth Mass Transit Fund, of those revenues  
540 generated in 2014 and thereafter, the first \$160 million in revenues or the maximum available revenues  
541 if less than \$160 million shall be distributed by the Commonwealth Transportation Board as follows:

542 (a) Funds for special programs, which shall include ridesharing, transportation demand management  
543 programs, experimental transit, public transportation promotion, operation studies, and technical  
544 assistance, shall not exceed 3 percent of the funds pursuant to this section and may be allocated to any  
545 local governing body, planning district commission, transportation district commission, or public transit  
546 corporation, or may be used directly by the Department of Rail and Public Transportation for the  
547 following purposes and aid of public transportation services:

548 (i) To finance a program administered by the Department of Rail and Public Transportation designed  
549 to promote the use of public transportation and ridesharing throughout Virginia.

550 (ii) To finance up to 80 percent of the cost of the development and implementation of projects where  
551 the purpose of such project is to enhance the provision and use of public transportation services.

552 (b) At least 72 percent of the funds shall be distributed to each transit property in the same  
553 proportion as its operating expenses bear to the total statewide operating expenses and shall be spent for  
554 the purposes specified in subdivision 4 b.

555 (c) Twenty-five percent of the funds shall be allocated and distributed utilizing a tiered approach  
556 evaluated by the Transit Service Delivery Advisory Committee along with the Director of the  
557 Department of Rail and Public Transportation and established by the Commonwealth Transportation  
558 Board for capital purposes based on asset need and anticipated state participation level and revenues.  
559 The tier distribution measures may be evaluated by the Transit Service Delivery Advisory Committee  
560 along with the Director of the Department of Rail and Public Transportation every three years and, if  
561 redefined by the Board, shall be published at least one year in advance of being applied. Funds allocated  
562 for debt service payments will be included in the tier that applies to the capital asset that is leveraged.

563 (d) Transfer of funds from funding categories in subdivisions 4 b (1)(a) and 4 b (1)(c) to 4 b (1)(b)  
564 shall be considered by the Commonwealth Transportation Board in times of statewide economic distress  
565 or statewide special need.

566 (2) The Commonwealth Transportation Board shall allocate the remaining revenues after the  
567 application of the provisions set forth in subdivision 4 b (1) generated for the Commonwealth Mass  
568 Transit Fund for 2014 and succeeding years as follows:

569 (a) Funds pursuant to this section shall be distributed among operating, capital, and special projects  
570 in order to respond to the needs of the transit community.

571 (b) Of the funds pursuant to this section, at least 72 percent shall be allocated to support operating  
572 costs of transit providers and distributed by the Commonwealth Transportation Board based on service  
573 delivery factors, based on effectiveness and efficiency, as established by the Commonwealth  
574 Transportation Board. These measures and their relative weight shall be evaluated every three years and,  
575 if redefined by the Commonwealth Transportation Board, shall be published and made available for  
576 public comment at least one year in advance of being applied. In developing the service delivery factors,  
577 the Commonwealth Transportation Board shall create for the Department of Rail and Public  
578 Transportation a Transit Service Delivery Advisory Committee, consisting of two members appointed by  
579 the Virginia Transit Association, one member appointed by the Community Transportation Association  
580 of Virginia, one member appointed by the Virginia Municipal League, one member appointed by the  
581 Virginia Association of Counties, and three members appointed by the Director of the Department of  
582 Rail and Public Transportation, to advise the Department of Rail and Public Transportation in the  
583 development of a distribution process for the funds allocated pursuant to this subdivision 4 b (2)(b) and  
584 how transit systems can incorporate these metrics in their transit development plans. The Transit Service  
585 Delivery Advisory Committee shall elect a Chair. The Department of Rail and Public Transportation  
586 shall provide administrative support to the committee. Effective July 1, 2013, the Transit Service  
587 Delivery Advisory Committee shall meet at least annually and consult with interested stakeholders and  
588 hold at least one public hearing and report its findings to the Director of the Department of Rail and  
589 Public Transportation. Prior to the Commonwealth Transportation Board approving the service delivery  
590 factors, the Director of the Department of Rail and Public Transportation along with the Chair of the  
591 Transit Service Delivery Advisory Committee shall brief the Senate Committee on Finance, the House  
592 Appropriations Committee, and the Senate and House Committees on Transportation on the findings of  
593 the Transit Service Delivery Advisory Committee and the Department's recommendation. Before  
594 redefining any component of the service delivery factors, the Commonwealth Transportation Board shall  
595 consult with the Director of the Department of Rail and Public Transportation, Transit Service Delivery  
596 Advisory Committee, and interested stakeholders and provide for a 45-day public comment period. Prior  
597 to approval of any amendment to the service delivery measures, the Board shall notify the  
598 aforementioned committees of the pending amendment to the service delivery factors and its content.

599 (c) Funds for special programs, which shall include ridesharing, transportation demand management  
600 programs, experimental transit, public transportation promotion, operation studies, and technical  
601 assistance, shall not exceed 3 percent of the funds pursuant to this section and may be allocated to any  
602 local governing body, planning district commission, transportation district commission, or public transit  
603 corporation, or may be used directly by the Department of Rail and Public Transportation for the  
604 following purposes and aid of public transportation services:

605 (i) To finance a program administered by the Department of Rail and Public Transportation designed  
606 to promote the use of public transportation and ridesharing throughout Virginia.

607 (ii) To finance up to 80 percent of the cost of the development and implementation of projects where  
608 the purpose of such project is to enhance the provision and use of public transportation services.

609 (d) Of the funds pursuant to this section, 25 percent shall be allocated and distributed utilizing a  
610 tiered approach evaluated by the Transit Service Delivery Advisory Committee along with the Director  
611 of Rail and Public Transportation and established by the Commonwealth Transportation Board for  
612 capital purposes based on asset need and anticipated state participation level and revenues. The tier  
613 distribution measures may be evaluated by the Transit Service Delivery Advisory Committee along with

614 the Director of Rail and Public Transportation every three years and, if redefined by the Board, shall be  
615 published at least one year in advance of being applied. Funds allocated for debt service payments shall  
616 be included in the tier that applies to the capital asset that is leveraged.

617 (e) Transfer of funds from funding categories in subdivisions 4 b (2)(c) and 4 b (2)(d) to 4 b (2)(b)  
618 shall be considered by the Commonwealth Transportation Board in times of statewide economic distress  
619 or statewide special need.

620 (f) The Department of Rail and Public Transportation may reserve a balance of up to five percent of  
621 the Commonwealth Mass Transit Fund revenues under this subsection in order to assure better stability  
622 in providing operating and capital funding to transit entities from year to year.

623 (3) The Commonwealth Mass Transit Fund shall not be allocated without requiring a local match  
624 from the recipient.

625 c. There is hereby created in the Department of the Treasury a special nonreverting fund known as  
626 the Commonwealth Transit Capital Fund. The Commonwealth Transit Capital Fund shall be part of the  
627 Commonwealth Mass Transit Fund. The Commonwealth Transit Capital Fund subaccount shall be  
628 established on the books of the Comptroller and consist of such moneys as are appropriated to it by the  
629 General Assembly and of all donations, gifts, bequests, grants, endowments, and other moneys given,  
630 bequeathed, granted, or otherwise made available to the Commonwealth Transit Capital Fund. Any funds  
631 remaining in the Commonwealth Transit Capital Fund at the end of the biennium shall not revert to the  
632 general fund, but shall remain in the Commonwealth Transit Capital Fund. Interest earned on funds  
633 within the Commonwealth Transit Capital Fund shall remain in and be credited to the Commonwealth  
634 Transit Capital Fund. Proceeds of the Commonwealth Transit Capital Fund may be paid to any political  
635 subdivision, another public entity created by an act of the General Assembly, or a private entity as  
636 defined in § 33.2-1800 and for purposes as enumerated in subdivision 7 of § 33.2-1701 or expended by  
637 the Department of Rail and Public Transportation for the purposes specified in this subdivision.  
638 Revenues of the Commonwealth Transit Capital Fund shall be used to support capital expenditures  
639 involving the establishment, improvement, or expansion of public transportation services through specific  
640 projects approved by the Commonwealth Transportation Board. If revenues of the Commonwealth  
641 Transit Capital Fund are allocated to the construction of a new fixed rail project, such project shall be  
642 evaluated according to the process established pursuant to subsection B of § 33.2-214.1. The  
643 Commonwealth Transit Capital Fund shall not be allocated without requiring a local match from the  
644 recipient.

645 d. The Commonwealth Transportation Board may allocate up to three and one-half percent of the  
646 funds set aside for the Commonwealth Mass Transit Fund to support costs of project development,  
647 project administration, and project compliance incurred by the Department of Rail and Public  
648 Transportation in implementing rail, public transportation, and congestion management grants and  
649 programs.

650 5. Funds for Metro shall be paid by the Northern Virginia Transportation Commission (NVTC) to the  
651 Washington Metropolitan Area Transit Authority (WMATA) and be a credit to the Counties of  
652 Arlington and Fairfax and the Cities of Alexandria, Falls Church, and Fairfax in the following manner:

653 a. Local obligations for debt service for WMATA rail transit bonds apportioned to each locality  
654 using WMATA's capital formula shall be paid first by NVTC. NVTC shall use 95 percent state aid for  
655 these payments.

656 b. The remaining funds shall be apportioned to reflect WMATA's allocation formulas by using the  
657 related WMATA-allocated subsidies and relative shares of local transit subsidies. Capital costs shall  
658 include 20 percent of annual local bus capital expenses. Hold harmless protections and obligations for  
659 NVTC's jurisdictions agreed to by NVTC on November 5, 1998, shall remain in effect.

660 Appropriations from the Commonwealth Mass Transit Fund are intended to provide a stable and  
661 reliable source of revenue as defined by Public Law 96-184.

662 6. Notwithstanding any other provision of law, funds allocated to Metro may be disbursed by the  
663 Department of Rail and Public Transportation directly to Metro or to any other transportation entity that  
664 has an agreement to provide funding to Metro.

665 B. The sales and use tax revenue generated by a one percent sales and use tax shall be distributed  
666 among the counties and cities of the Commonwealth in the manner provided in subsections C and D.

667 C. The localities' share of the net revenue distributable under this section among the counties and  
668 cities shall be apportioned by the Comptroller and distributed among them by warrants of the  
669 Comptroller drawn on the Treasurer of Virginia as soon as practicable after the close of each month  
670 during which the net revenue was received into the state treasury. The distribution of the localities' share  
671 of such net revenue shall be computed with respect to the net revenue received into the state treasury  
672 during each month, and such distribution shall be made as soon as practicable after the close of each  
673 such month.

674 D. The net revenue so distributable among the counties and cities shall be apportioned and

675 distributed upon the basis of the latest yearly estimate of the population of cities and counties ages five  
676 to 19, provided by the Weldon Cooper Center for Public Service of the University of Virginia. Such  
677 population estimate produced by the Weldon Cooper Center for Public Service of the University of  
678 Virginia shall account for persons who are domiciled in orphanages or charitable institutions or who are  
679 dependents living on any federal military or naval reservation or other federal property within the school  
680 division in which the institutions or federal military or naval reservation or other federal property is  
681 located. Such population estimate produced by the Weldon Cooper Center for Public Service of the  
682 University of Virginia shall account for members of the military services who are under 20 years of age  
683 within the school division in which the parents or guardians of such persons legally reside. Such  
684 population estimate produced by the Weldon Cooper Center for Public Service of the University of  
685 Virginia shall account for individuals receiving services in state hospitals, state training centers, or  
686 mental health facilities, persons who are confined in state or federal correctional institutions, or persons  
687 who attend the Virginia School for the Deaf and the Blind *or the Virginia Virtual School* within the  
688 school division in which the parents or guardians of such persons legally reside. Such population  
689 estimate produced by the Weldon Cooper Center for Public Service of the University of Virginia shall  
690 account for persons who attend institutions of higher education within the school division in which the  
691 student's parents or guardians legally reside. To such estimate, the Department of Education shall add  
692 the population of students with disabilities, ages two through four and 20 through 21, as provided to the  
693 Department of Education by school divisions. The revenue so apportionable and distributable is hereby  
694 appropriated to the several counties and cities for maintenance, operation, capital outlays, debt and  
695 interest payments, or other expenses incurred in the operation of the public schools, which shall be  
696 considered as funds raised from local resources. In any county, however, wherein is situated any  
697 incorporated town constituting a school division, the county treasurer shall pay into the town treasury for  
698 maintenance, operation, capital outlays, debt and interest payments, or other expenses incurred in the  
699 operation of the public schools, the proper proportionate amount received by him in the ratio that the  
700 school population of such town bears to the school population of the entire county. If the school  
701 population of any city or of any town constituting a school division is increased by the annexation of  
702 territory since the last estimate of school population provided by the Weldon Cooper Center for Public  
703 Service, such increase shall, for the purposes of this section, be added to the school population of such  
704 city or town as shown by the last such estimate and a proper reduction made in the school population of  
705 the county or counties from which the annexed territory was acquired.

706 E. Beginning July 1, 2000, of the remaining sales and use tax revenue, the revenue generated by a  
707 two percent sales and use tax, up to an annual amount of \$13 million, collected from the sales of  
708 hunting equipment, auxiliary hunting equipment, fishing equipment, auxiliary fishing equipment,  
709 wildlife-watching equipment, and auxiliary wildlife-watching equipment in Virginia, as estimated by the  
710 most recent U.S. Department of the Interior, Fish and Wildlife Service and U.S. Department of  
711 Commerce, Bureau of the Census National Survey of Fishing, Hunting, and Wildlife-Associated  
712 Recreation, shall be paid into the Game Protection Fund established under § 29.1-101 and shall be used,  
713 in part, to defray the cost of law enforcement. Not later than 30 days after the close of each quarter, the  
714 Comptroller shall transfer to the Game Protection Fund the appropriate amount of collections to be  
715 dedicated to such Fund. At any time that the balance in the Capital Improvement Fund, established  
716 under § 29.1-101.01, is equal to or in excess of \$35 million, any portion of sales and use tax revenues  
717 that would have been transferred to the Game Protection Fund, established under § 29.1-101, in excess  
718 of the net operating expenses of the Board, after deduction of other amounts which accrue to the Board  
719 and are set aside for the Game Protection Fund, shall remain in the general fund until such time as the  
720 balance in the Capital Improvement Fund is less than \$35 million.

721 F. 1. Of the net revenue generated from the one-half percent increase in the rate of the state sales  
722 and use tax effective August 1, 2004, pursuant to enactments of the 2004 Special Session I of the  
723 General Assembly, the Comptroller shall transfer from the general fund of the state treasury to the  
724 Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund established under  
725 § 58.1-638.1 an amount equivalent to one-half of the net revenue generated from such one-half percent  
726 increase as provided in this subdivision. The transfers to the Public Education Standards of  
727 Quality/Local Real Estate Property Tax Relief Fund under this subdivision shall be for one-half of the  
728 net revenue generated (and collected in the succeeding month) from such one-half percent increase for  
729 the month of August 2004 and for each month thereafter.

730 2. Beginning July 1, 2013, of the remaining sales and use tax revenue, an amount equal to the  
731 revenue generated by a 0.125 percent sales and use tax shall be distributed to the Public Education  
732 Standards of Quality/Local Real Estate Property Tax Relief Fund established under § 58.1-638.1, and be  
733 used for the state's share of Standards of Quality basic aid payments.

734 3. For the purposes of the Comptroller making the required transfers under subdivision 1 and 2, the  
735 Tax Commissioner shall make a written certification to the Comptroller no later than the twenty-fifth of  
736 each month certifying the sales and use tax revenues generated in the preceding month. Within three

737 calendar days of receiving such certification, the Comptroller shall make the required transfers to the  
738 Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund.

739 G. (Contingent expiration date) Beginning July 1, 2013, of the remaining sales and use tax revenue,  
740 an amount equal to the following percentages of the revenue generated by a one-half percent sales and  
741 use tax, such as that paid to the Transportation Trust Fund as provided in subdivision A 1, shall be paid  
742 to the Highway Maintenance and Operating Fund established pursuant to § 33.2-1530:

- 743 1. For fiscal year 2014, an amount equal to 10 percent;
- 744 2. For fiscal year 2015, an amount equal to 20 percent;
- 745 3. For fiscal year 2016, an amount equal to 30 percent; and
- 746 4. For fiscal year 2017 and thereafter, an amount equal to 35 percent.

747 The Highway Maintenance and Operating Fund's share of the net revenue distributable under this  
748 subsection shall be computed as an estimate of the net revenue to be received into the state treasury  
749 each month, and such estimated payment shall be adjusted for the actual net revenue received in the  
750 preceding month. All payments shall be made to the Fund on the last day of each month.

751 H. (Contingent expiration date) 1. The additional revenue generated by increases in the state sales  
752 and use tax from Planning District 8 pursuant to §§ 58.1-603.1, 58.1-604.01, 58.1-604.1, and 58.1-614  
753 shall be deposited by the Comptroller in the fund established under § 33.2-2509.

754 2. The additional revenue generated by increases in the state sales and use tax from Planning District  
755 23 pursuant to §§ 58.1-603.1, 58.1-604.01, 58.1-604.1, and 58.1-614 shall be deposited by the  
756 Comptroller in the fund established under § 33.2-2600.

757 3. The additional revenue generated by increases in the state sales and use tax in any other Planning  
758 District pursuant to §§ 58.1-603.1, 58.1-604.01, 58.1-604.1, and 58.1-614 shall be deposited into special  
759 funds that shall be established by appropriate legislation.

760 4. The net revenues distributable under this subsection shall be computed as an estimate of the net  
761 revenue to be received by the state treasury each month, and such estimated payment shall be adjusted  
762 for the actual net revenue received in the preceding month. All payments shall be made to the  
763 appropriate funds on the last day of each month.

764 I. If errors are made in any distribution, or adjustments are otherwise necessary, the errors shall be  
765 corrected and adjustments made in the distribution for the next quarter or for subsequent quarters.

766 J. The term "net revenue," as used in this section, means the gross revenue received into the general  
767 fund or the Transportation Trust Fund of the state treasury under the preceding sections of this chapter,  
768 less refunds to taxpayers.

769 **2. That the initial appointments of nonlegislative citizen members of the Board of the Virginia**  
770 **Virtual School shall be staggered as follows: three nonlegislative citizen members for terms of four**  
771 **years, two nonlegislative citizen members for terms of three years, and one nonlegislative citizen**  
772 **member for a term of two years, to be appointed by the Governor, subject to confirmation by the**  
773 **General Assembly. Thereafter, appointments shall be for terms of four years.**