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**HOUSE BILL NO. 1388**

Offered January 15, 2018

*A BILL to amend and reenact §§ 2.2-3705.6, 2.2-3711, 56-1.3, 56-484.12, 56-484.16, and 56-484.17 of the Code of Virginia and to repeal §§ 56-484.12:1, 56-484.12:2, and 56-484.15 of the Code of Virginia, relating to the Enhanced Public Safety Telephone Services Act.*

Patron—Leftwich

Referred to Committee on Commerce and Labor

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

**1. That §§ 2.2-3705.6, 2.2-3711, 56-1.3, 56-484.12, 56-484.16, and 56-484.17 of the Code of Virginia are amended and reenacted as follows:**

**§ 2.2-3705.6. Exclusions to application of chapter; proprietary records and trade secrets.**

The following information contained in a public record is excluded from the mandatory disclosure provisions of this chapter but may be disclosed by the custodian in his discretion, except where such disclosure is prohibited by law. Redaction of information excluded under this section from a public record shall be conducted in accordance with § 2.2-3704.01.

1. Proprietary information gathered by or for the Virginia Port Authority as provided in § 62.1-132.4 or 62.1-134.1.

2. Financial statements not publicly available filed with applications for industrial development financings in accordance with Chapter 49 (§ 15.2-4900 et seq.) of Title 15.2.

3. Proprietary information, voluntarily provided by private business pursuant to a promise of confidentiality from a public body, used by the public body for business, trade, and tourism development or retention; and memoranda, working papers, or other information related to businesses that are considering locating or expanding in Virginia, prepared by a public body, where competition or bargaining is involved and where disclosure of such information would adversely affect the financial interest of the public body.

4. Information that was filed as confidential under the Toxic Substances Information Act (§ 32.1-239 et seq.), as such Act existed prior to July 1, 1992.

5. Fisheries data that would permit identification of any person or vessel, except when required by court order as specified in § 28.2-204.

6. Confidential financial statements, balance sheets, trade secrets, and revenue and cost projections provided to the Department of Rail and Public Transportation, provided such information is exempt under the federal Freedom of Information Act or the federal Interstate Commerce Act or other laws administered by the Surface Transportation Board or the Federal Railroad Administration with respect to data provided in confidence to the Surface Transportation Board and the Federal Railroad Administration.

7. Proprietary information related to inventory and sales, voluntarily provided by private energy suppliers to the Department of Mines, Minerals and Energy, used by that Department for energy contingency planning purposes or for developing consolidated statistical information on energy supplies.

8. Confidential proprietary information furnished to the Board of Medical Assistance Services or the Medicaid Prior Authorization Advisory Committee pursuant to Article 4 (§ 32.1-331.12 et seq.) of Chapter 10 of Title 32.1.

9. Proprietary, commercial or financial information, balance sheets, trade secrets, and revenue and cost projections provided by a private transportation business to the Virginia Department of Transportation and the Department of Rail and Public Transportation for the purpose of conducting transportation studies needed to obtain grants or other financial assistance under the Transportation Equity Act for the 21st Century (P.L. 105-178) for transportation projects if disclosure of such information is exempt under the federal Freedom of Information Act or the federal Interstate Commerce Act or other laws administered by the Surface Transportation Board or the Federal Railroad Administration with respect to data provided in confidence to the Surface Transportation Board and the Federal Railroad Administration. However, the exclusion provided by this subdivision shall not apply to any wholly owned subsidiary of a public body.

10. Confidential information designated as provided in subsection F of § 2.2-4342 as trade secrets or proprietary information by any person in connection with a procurement transaction or by any person who has submitted to a public body an application for prequalification to bid on public construction projects in accordance with subsection B of § 2.2-4317.

11. a. Memoranda, staff evaluations, or other information prepared by the responsible public entity,

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59 its staff, outside advisors, or consultants exclusively for the evaluation and negotiation of proposals filed  
60 under the Public-Private Transportation Act of 1995 (§ 33.2-1800 et seq.) or the Public-Private  
61 Education Facilities and Infrastructure Act of 2002 (§ 56-575.1 et seq.) where (i) if such information  
62 was made public prior to or after the execution of an interim or a comprehensive agreement,  
63 § 33.2-1820 or 56-575.17 notwithstanding, the financial interest or bargaining position of the public  
64 entity would be adversely affected and (ii) the basis for the determination required in clause (i) is  
65 documented in writing by the responsible public entity; and

66 b. Information provided by a private entity to a responsible public entity, affected jurisdiction, or  
67 affected local jurisdiction pursuant to the provisions of the Public-Private Transportation Act of 1995  
68 (§ 33.2-1800 et seq.) or the Public-Private Education Facilities and Infrastructure Act of 2002  
69 (§ 56-575.1 et seq.) if disclosure of such information would reveal (i) trade secrets of the private entity  
70 as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.); (ii) financial information of the private  
71 entity, including balance sheets and financial statements, that are not generally available to the public  
72 through regulatory disclosure or otherwise; or (iii) other information submitted by the private entity  
73 where if such information was made public prior to the execution of an interim agreement or a  
74 comprehensive agreement, the financial interest or bargaining position of the public or private entity  
75 would be adversely affected. In order for the information specified in clauses (i), (ii), and (iii) to be  
76 excluded from the provisions of this chapter, the private entity shall make a written request to the  
77 responsible public entity:

78 (1) Invoking such exclusion upon submission of the data or other materials for which protection from  
79 disclosure is sought;

80 (2) Identifying with specificity the data or other materials for which protection is sought; and

81 (3) Stating the reasons why protection is necessary.

82 The responsible public entity shall determine whether the requested exclusion from disclosure is  
83 necessary to protect the trade secrets or financial information of the private entity. To protect other  
84 information submitted by the private entity from disclosure, the responsible public entity shall determine  
85 whether public disclosure prior to the execution of an interim agreement or a comprehensive agreement  
86 would adversely affect the financial interest or bargaining position of the public or private entity. The  
87 responsible public entity shall make a written determination of the nature and scope of the protection to  
88 be afforded by the responsible public entity under this subdivision. Once a written determination is made  
89 by the responsible public entity, the information afforded protection under this subdivision shall continue  
90 to be protected from disclosure when in the possession of any affected jurisdiction or affected local  
91 jurisdiction.

92 Except as specifically provided in subdivision 11 a, nothing in this subdivision shall be construed to  
93 authorize the withholding of (a) procurement records as required by § 33.2-1820 or 56-575.17; (b)  
94 information concerning the terms and conditions of any interim or comprehensive agreement, service  
95 contract, lease, partnership, or any agreement of any kind entered into by the responsible public entity  
96 and the private entity; (c) information concerning the terms and conditions of any financing arrangement  
97 that involves the use of any public funds; or (d) information concerning the performance of any private  
98 entity developing or operating a qualifying transportation facility or a qualifying project.

99 For the purposes of this subdivision, the terms "affected jurisdiction," "affected local jurisdiction,"  
100 "comprehensive agreement," "interim agreement," "qualifying project," "qualifying transportation  
101 facility," "responsible public entity," and "private entity" shall mean the same as those terms are defined  
102 in the Public-Private Transportation Act of 1995 (§ 33.2-1800 et seq.) or in the Public-Private Education  
103 Facilities and Infrastructure Act of 2002 (§ 56-575.1 et seq.).

104 12. Confidential proprietary information or trade secrets, not publicly available, provided by a private  
105 person or entity pursuant to a promise of confidentiality to the Virginia Resources Authority or to a  
106 fund administered in connection with financial assistance rendered or to be rendered by the Virginia  
107 Resources Authority where, if such information were made public, the financial interest of the private  
108 person or entity would be adversely affected.

109 13. Trade secrets, as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.), or confidential  
110 proprietary information that is not generally available to the public through regulatory disclosure or  
111 otherwise, provided by a (i) bidder or applicant for a franchise or (ii) franchisee under Chapter 21  
112 (§ 15.2-2100 et seq.) of Title 15.2 to the applicable franchising authority pursuant to a promise of  
113 confidentiality from the franchising authority, to the extent the information relates to the bidder's,  
114 applicant's, or franchisee's financial capacity or provision of new services, adoption of new technologies  
115 or implementation of improvements, where such new services, technologies, or improvements have not  
116 been implemented by the franchisee on a nonexperimental scale in the franchise area, and where, if such  
117 information were made public, the competitive advantage or financial interests of the franchisee would  
118 be adversely affected.

119 In order for trade secrets or confidential proprietary information to be excluded from the provisions  
120 of this chapter, the bidder, applicant, or franchisee shall (a) invoke such exclusion upon submission of

the data or other materials for which protection from disclosure is sought, (b) identify the data or other materials for which protection is sought, and (c) state the reason why protection is necessary.

No bidder, applicant, or franchisee may invoke the exclusion provided by this subdivision if the bidder, applicant, or franchisee is owned or controlled by a public body or if any representative of the applicable franchising authority serves on the management board or as an officer of the bidder, applicant, or franchisee.

14. Information of a proprietary or confidential nature furnished by a supplier or manufacturer of charitable gaming supplies to the Department of Agriculture and Consumer Services (i) pursuant to subsection E of § 18.2-340.34 and (ii) pursuant to regulations promulgated by the Charitable Gaming Board related to approval of electronic and mechanical equipment.

15. Information related to Virginia apple producer sales provided to the Virginia State Apple Board pursuant to § 3.2-1215.

16. Trade secrets, as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.) of Title 59.1, submitted by CMRS providers as defined in § 56-484.12 to the *former* Wireless Carrier E-911 Cost Recovery Subcommittee created pursuant to *former* § 56-484.15, relating to the provision of wireless E-911 service.

17. Information relating to a grant or loan application, or accompanying a grant or loan application, to the Innovation and Entrepreneurship Investment Authority pursuant to Article 3 (§ 2.2-2233.1 et seq.) of Chapter 22 of Title 2.2 or to the Commonwealth Health Research Board pursuant to Chapter 5.3 (§ 32.1-162.23 et seq.) of Title 32.1 if disclosure of such information would (i) reveal proprietary business or research-related information produced or collected by the applicant in the conduct of or as a result of study or research on medical, rehabilitative, scientific, technical, technological, or scholarly issues, when such information has not been publicly released, published, copyrighted, or patented, and (ii) be harmful to the competitive position of the applicant.

18. Confidential proprietary information and trade secrets developed and held by a local public body (i) providing telecommunication services pursuant to § 56-265.4:4 and (ii) providing cable television services pursuant to Article 1.1 (§ 15.2-2108.2 et seq.) of Chapter 21 of Title 15.2 if disclosure of such information would be harmful to the competitive position of the locality.

In order for confidential proprietary information or trade secrets to be excluded from the provisions of this chapter, the locality in writing shall (a) invoke the protections of this subdivision, (b) identify with specificity the information for which protection is sought, and (c) state the reasons why protection is necessary. However, the exemption provided by this subdivision shall not apply to any authority created pursuant to the BVU Authority Act (§ 15.2-7200 et seq.).

19. Confidential proprietary information and trade secrets developed by or for a local authority created in accordance with the Virginia Wireless Service Authorities Act (§ 15.2-5431.1 et seq.) to provide qualifying communications services as authorized by Article 5.1 (§ 56-484.7:1 et seq.) of Chapter 15 of Title 56, where disclosure of such information would be harmful to the competitive position of the authority, except that information required to be maintained in accordance with § 15.2-2160 shall be released.

20. Trade secrets as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.) or financial information of a business, including balance sheets and financial statements, that are not generally available to the public through regulatory disclosure or otherwise, provided to the Department of Small Business and Supplier Diversity as part of an application for certification as a small, women-owned, or minority-owned business in accordance with Chapter 16.1 (§ 2.2-1603 et seq.). In order for such trade secrets or financial information to be excluded from the provisions of this chapter, the business shall (i) invoke such exclusion upon submission of the data or other materials for which protection from disclosure is sought, (ii) identify the data or other materials for which protection is sought, and (iii) state the reasons why protection is necessary.

21. Information of a proprietary or confidential nature disclosed by a carrier to the State Health Commissioner pursuant to §§ 32.1-276.5:1 and 32.1-276.7:1.

22. Trade secrets, as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.), including, but not limited to, financial information, including balance sheets and financial statements, that are not generally available to the public through regulatory disclosure or otherwise, and revenue and cost projections supplied by a private or nongovernmental entity to the State Inspector General for the purpose of an audit, special investigation, or any study requested by the Office of the State Inspector General in accordance with law.

In order for the information specified in this subdivision to be excluded from the provisions of this chapter, the private or nongovernmental entity shall make a written request to the State Inspector General:

a. Invoking such exclusion upon submission of the data or other materials for which protection from disclosure is sought;

- b. Identifying with specificity the data or other materials for which protection is sought; and  
c. Stating the reasons why protection is necessary.

The State Inspector General shall determine whether the requested exclusion from disclosure is necessary to protect the trade secrets or financial information of the private entity. The State Inspector General shall make a written determination of the nature and scope of the protection to be afforded by it under this subdivision.

23. Information relating to a grant application, or accompanying a grant application, submitted to the Tobacco Region Revitalization Commission that would (i) reveal (a) trade secrets as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.), (b) financial information of a grant applicant that is not a public body, including balance sheets and financial statements, that are not generally available to the public through regulatory disclosure or otherwise, or (c) research-related information produced or collected by the applicant in the conduct of or as a result of study or research on medical, rehabilitative, scientific, technical, technological, or scholarly issues, when such information has not been publicly released, published, copyrighted, or patented, and (ii) be harmful to the competitive position of the applicant; and memoranda, staff evaluations, or other information prepared by the Commission or its staff exclusively for the evaluation of grant applications. The exclusion provided by this subdivision shall apply to grants that are consistent with the powers of and in furtherance of the performance of the duties of the Commission pursuant to § 3.2-3103.

In order for the information specified in this subdivision to be excluded from the provisions of this chapter, the applicant shall make a written request to the Commission:

- a. Invoking such exclusion upon submission of the data or other materials for which protection from disclosure is sought;  
b. Identifying with specificity the data, information or other materials for which protection is sought; and  
c. Stating the reasons why protection is necessary.

The Commission shall determine whether the requested exclusion from disclosure is necessary to protect the trade secrets, financial information, or research-related information of the applicant. The Commission shall make a written determination of the nature and scope of the protection to be afforded by it under this subdivision.

24. a. Information held by the Commercial Space Flight Authority relating to rate structures or charges for the use of projects of, the sale of products of, or services rendered by the Authority if disclosure of such information would adversely affect the financial interest or bargaining position of the Authority or a private entity providing the information to the Authority; or

b. Information provided by a private entity to the Commercial Space Flight Authority if disclosure of such information would (i) reveal (a) trade secrets of the private entity as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.); (b) financial information of the private entity, including balance sheets and financial statements, that are not generally available to the public through regulatory disclosure or otherwise; or (c) other information submitted by the private entity and (ii) adversely affect the financial interest or bargaining position of the Authority or private entity.

In order for the information specified in clauses (a), (b), and (c) of subdivision 24 b to be excluded from the provisions of this chapter, the private entity shall make a written request to the Authority:

- (1) Invoking such exclusion upon submission of the data or other materials for which protection from disclosure is sought;  
(2) Identifying with specificity the data or other materials for which protection is sought; and  
(3) Stating the reasons why protection is necessary.

The Authority shall determine whether the requested exclusion from disclosure is necessary to protect the trade secrets or financial information of the private entity. To protect other information submitted by the private entity from disclosure, the Authority shall determine whether public disclosure would adversely affect the financial interest or bargaining position of the Authority or private entity. The Authority shall make a written determination of the nature and scope of the protection to be afforded by it under this subdivision.

25. Information of a proprietary nature furnished by an agricultural landowner or operator to the Department of Conservation and Recreation, the Department of Environmental Quality, the Department of Agriculture and Consumer Services, or any political subdivision, agency, or board of the Commonwealth pursuant to §§ 10.1-104.7, 10.1-104.8, and 10.1-104.9, other than when required as part of a state or federal regulatory enforcement action.

26. Trade secrets, as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.), provided to the Department of Environmental Quality pursuant to the provisions of § 10.1-1458. In order for such trade secrets to be excluded from the provisions of this chapter, the submitting party shall (i) invoke this exclusion upon submission of the data or materials for which protection from disclosure is sought, (ii) identify the data or materials for which protection is sought, and (iii) state the reasons why protection is necessary.

27. Information of a proprietary nature furnished by a licensed public-use airport to the Department of Aviation for funding from programs administered by the Department of Aviation or the Virginia Aviation Board, where if such information was made public, the financial interest of the public-use airport would be adversely affected.

In order for the information specified in this subdivision to be excluded from the provisions of this chapter, the public-use airport shall make a written request to the Department of Aviation:

a. Invoking such exclusion upon submission of the data or other materials for which protection from disclosure is sought;

b. Identifying with specificity the data or other materials for which protection is sought; and

c. Stating the reasons why protection is necessary.

28. Information relating to a grant or loan application, or accompanying a grant or loan application, submitted to the Virginia Research Investment Committee established pursuant to Article 8 (§ 23.1-3130 et seq.) of Chapter 31 of Title 23.1, to the extent that such records would (i) reveal (a) trade secrets as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.); (b) financial information of a party to a grant or loan application that is not a public body, including balance sheets and financial statements, that are not generally available to the public through regulatory disclosure or otherwise; or (c) research-related information produced or collected by a party to the application in the conduct of or as a result of study or research on medical, rehabilitative, scientific, technical, technological, or scholarly issues, when such information has not been publicly released, published, copyrighted, or patented, and (ii) be harmful to the competitive position of a party to a grant or loan application; and memoranda, staff evaluations, or other information prepared by the Committee or its staff, or a reviewing entity pursuant to subsection D of § 23.1-3133, exclusively for the evaluation of grant or loan applications, including any scoring or prioritization documents prepared for and forwarded to the Committee pursuant to subsection D of § 23.1-3133.

In order for the information submitted by the applicant and specified in this subdivision to be excluded from the provisions of this chapter, the applicant shall make a written request to the Committee:

a. Invoking such exclusion upon submission of the data or other materials for which protection from disclosure is sought;

b. Identifying with specificity the data, information, or other materials for which protection is sought; and

c. Stating the reasons why protection is necessary.

The Virginia Research Investment Committee shall determine whether the requested exclusion from disclosure is necessary to protect the trade secrets, financial information, or research-related information of the party to the application. The Committee shall make a written determination of the nature and scope of the protection to be afforded by it under this subdivision.

29. Proprietary information, voluntarily provided by a private business pursuant to a promise of confidentiality from a public body, used by the public body for a solar services agreement, where disclosure of such information would (i) reveal (a) trade secrets of the private business as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.); (b) financial information of the private business, including balance sheets and financial statements, that are not generally available to the public through regulatory disclosure or otherwise; or (c) other information submitted by the private business and (ii) adversely affect the financial interest or bargaining position of the public body or private business.

In order for the information specified in clauses (i)(a), (b), and (c) to be excluded from the provisions of this chapter, the private business shall make a written request to the public body:

a. Invoking such exclusion upon submission of the data or other materials for which protection from disclosure is sought;

b. Identifying with specificity the data or other materials for which protection is sought; and

c. Stating the reasons why protection is necessary.

30. Information contained in engineering and construction drawings and plans submitted for the sole purpose of complying with the Building Code in obtaining a building permit if disclosure of such information would identify specific trade secrets or other information that would be harmful to the competitive position of the owner or lessee. However, such information shall be exempt only until the building is completed. Information relating to the safety or environmental soundness of any building shall not be exempt from disclosure.

**§ 2.2-3711. Closed meetings authorized for certain limited purposes.**

A. Public bodies may hold closed meetings only for the following purposes:

1. Discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body; and evaluation of performance of departments or schools of public institutions of higher education where such evaluation will necessarily involve

discussion of the performance of specific individuals. Any teacher shall be permitted to be present during a closed meeting in which there is a discussion or consideration of a disciplinary matter that involves the teacher and some student and the student involved in the matter is present, provided the teacher makes a written request to be present to the presiding officer of the appropriate board. Nothing in this subdivision, however, shall be construed to authorize a closed meeting by a local governing body or an elected school board to discuss compensation matters that affect the membership of such body or board collectively.

2. Discussion or consideration of admission or disciplinary matters or any other matters that would involve the disclosure of information contained in a scholastic record concerning any student of any public institution of higher education in the Commonwealth or any state school system. However, any such student, legal counsel and, if the student is a minor, the student's parents or legal guardians shall be permitted to be present during the taking of testimony or presentation of evidence at a closed meeting, if such student, parents, or guardians so request in writing and such request is submitted to the presiding officer of the appropriate board.

3. Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body.

4. The protection of the privacy of individuals in personal matters not related to public business.

5. Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community.

6. Discussion or consideration of the investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected.

7. Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body. For the purposes of this subdivision, "probable litigation" means litigation that has been specifically threatened or on which the public body or its legal counsel has a reasonable basis to believe will be commenced by or against a known party. Nothing in this subdivision shall be construed to permit the closure of a meeting merely because an attorney representing the public body is in attendance or is consulted on a matter.

8. Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be construed to permit the closure of a meeting merely because an attorney representing the public body is in attendance or is consulted on a matter.

9. Discussion or consideration by governing boards of public institutions of higher education of matters relating to gifts, bequests and fund-raising activities, and of grants and contracts for services or work to be performed by such institution. However, the terms and conditions of any such gifts, bequests, grants, and contracts made by a foreign government, a foreign legal entity, or a foreign person and accepted by a public institution of higher education in the Commonwealth shall be subject to public disclosure upon written request to the appropriate board of visitors. For the purpose of this subdivision, (i) "foreign government" means any government other than the United States government or the government of a state or a political subdivision thereof, (ii) "foreign legal entity" means any legal entity (a) created under the laws of the United States or of any state thereof if a majority of the ownership of the stock of such legal entity is owned by foreign governments or foreign persons or if a majority of the membership of any such entity is composed of foreign persons or foreign legal entities or (b) created under the laws of a foreign government, and (iii) "foreign person" means any individual who is not a citizen or national of the United States or a trust territory or protectorate thereof.

10. Discussion or consideration by the boards of trustees of the Virginia Museum of Fine Arts, the Virginia Museum of Natural History, the Jamestown-Yorktown Foundation, and The Science Museum of Virginia of matters relating to specific gifts, bequests, and grants from private sources.

11. Discussion or consideration of honorary degrees or special awards.

12. Discussion or consideration of tests, examinations, or other information used, administered, or prepared by a public body and subject to the exclusion in subdivision 4 of § 2.2-3705.1.

13. Discussion, consideration, or review by the appropriate House or Senate committees of possible disciplinary action against a member arising out of the possible inadequacy of the disclosure statement filed by the member, provided the member may request in writing that the committee meeting not be conducted in a closed meeting.

14. Discussion of strategy with respect to the negotiation of a hazardous waste siting agreement or to consider the terms, conditions, and provisions of a hazardous waste siting agreement if the governing body in open meeting finds that an open meeting will have an adverse effect upon the negotiating position of the governing body or the establishment of the terms, conditions and provisions of the siting

agreement, or both. All discussions with the applicant or its representatives may be conducted in a closed meeting.

15. Discussion by the Governor and any economic advisory board reviewing forecasts of economic activity and estimating general and nongeneral fund revenues.

16. Discussion or consideration of medical and mental health records subject to the exclusion in subdivision 1 of § 2.2-3705.5.

17. Deliberations of the Virginia Lottery Board in a licensing appeal action conducted pursuant to subsection D of § 58.1-4007 regarding the denial or revocation of a license of a lottery sales agent; and discussion, consideration or review of Virginia Lottery matters related to proprietary lottery game information and studies or investigations excluded from disclosure under subdivision 6 of § 2.2-3705.3 and subdivision 11 of § 2.2-3705.7.

18. Those portions of meetings in which the Board of Corrections discusses or discloses the identity of, or information tending to identify, any prisoner who (i) provides information about crimes or criminal activities, (ii) renders assistance in preventing the escape of another prisoner or in the apprehension of an escaped prisoner, or (iii) voluntarily or at the instance of a prison official renders other extraordinary services, the disclosure of which is likely to jeopardize the prisoner's life or safety.

19. Discussion of plans to protect public safety as it relates to terrorist activity or specific cybersecurity threats or vulnerabilities and briefings by staff members, legal counsel, or law-enforcement or emergency service officials concerning actions taken to respond to such matters or a related threat to public safety; discussion of information subject to the exclusion in subdivision 2 or 14 of § 2.2-3705.2, where discussion in an open meeting would jeopardize the safety of any person or the security of any facility, building, structure, information technology system, or software program; or discussion of reports or plans related to the security of any governmental facility, building or structure, or the safety of persons using such facility, building or structure.

20. Discussion by the Board of the Virginia Retirement System, acting pursuant to § 51.1-124.30, or of any local retirement system, acting pursuant to § 51.1-803, or by a local finance board or board of trustees of a trust established by one or more local public bodies to invest funds for postemployment benefits other than pensions, acting pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2, or by the board of visitors of the University of Virginia, acting pursuant to § 23.1-2210, or by the Board of the Virginia College Savings Plan, acting pursuant to § 23.1-706, regarding the acquisition, holding or disposition of a security or other ownership interest in an entity, where such security or ownership interest is not traded on a governmentally regulated securities exchange, to the extent that such discussion (i) concerns confidential analyses prepared for the board of visitors of the University of Virginia, prepared by the retirement system, or a local finance board or board of trustees, or the Virginia College Savings Plan or provided to the retirement system, a local finance board or board of trustees, or the Virginia College Savings Plan under a promise of confidentiality, of the future value of such ownership interest or the future financial performance of the entity, and (ii) would have an adverse effect on the value of the investment to be acquired, held, or disposed of by the retirement system, a local finance board or board of trustees, the board of visitors of the University of Virginia, or the Virginia College Savings Plan. Nothing in this subdivision shall be construed to prevent the disclosure of information relating to the identity of any investment held, the amount invested or the present value of such investment.

21. Those portions of meetings in which individual child death cases are discussed by the State Child Fatality Review team established pursuant to § 32.1-283.1, those portions of meetings in which individual child death cases are discussed by a regional or local child fatality review team established pursuant to § 32.1-283.2, those portions of meetings in which individual death cases are discussed by family violence fatality review teams established pursuant to § 32.1-283.3, those portions of meetings in which individual adult death cases are discussed by the state Adult Fatality Review Team established pursuant to § 32.1-283.5, and those portions of meetings in which individual adult death cases are discussed by a local or regional adult fatality review team established pursuant to § 32.1-283.6.

22. Those portions of meetings of the board of visitors of the University of Virginia or the Eastern Virginia Medical School Board of Visitors, as the case may be, and those portions of meetings of any persons to whom management responsibilities for the University of Virginia Medical Center or Eastern Virginia Medical School, as the case may be, have been delegated, in which there is discussed proprietary, business-related information pertaining to the operations of the University of Virginia Medical Center or Eastern Virginia Medical School, as the case may be, including business development or marketing strategies and activities with existing or future joint venturers, partners, or other parties with whom the University of Virginia Medical Center or Eastern Virginia Medical School, as the case may be, has formed, or forms, any arrangement for the delivery of health care, if disclosure of such information would adversely affect the competitive position of the Medical Center or Eastern Virginia Medical School, as the case may be.

23. Discussion or consideration by the Virginia Commonwealth University Health System Authority or the board of visitors of Virginia Commonwealth University of any of the following: the acquisition or disposition by the Authority of real property, equipment, or technology software or hardware and related goods or services, where disclosure would adversely affect the bargaining position or negotiating strategy of the Authority; matters relating to gifts or bequests to, and fund-raising activities of, the Authority; grants and contracts for services or work to be performed by the Authority; marketing or operational strategies plans of the Authority where disclosure of such strategies or plans would adversely affect the competitive position of the Authority; and members of the Authority's medical and teaching staffs and qualifications for appointments thereto.

24. Those portions of the meetings of the Health Practitioners' Monitoring Program Committee within the Department of Health Professions to the extent such discussions identify any practitioner who may be, or who actually is, impaired pursuant to Chapter 25.1 (§ 54.1-2515 et seq.) of Title 54.1.

25. Meetings or portions of meetings of the Board of the Virginia College Savings Plan wherein personal information, as defined in § 2.2-3801, which has been provided to the Board or its employees by or on behalf of individuals who have requested information about, applied for, or entered into prepaid tuition contracts or savings trust account agreements pursuant to Chapter 7 (§ 23.1-700 et seq.) of Title 23.1 is discussed.

26. Discussion or consideration, by the *former* Wireless Carrier E-911 Cost Recovery Subcommittee created pursuant to *former* § 56-484.15, of trade secrets, as defined in the Uniform Trade Secrets Act (§ 59.1-336 et seq.), submitted by CMRS providers as defined in § 56-484.12, related to the provision of wireless E-911 service.

27. Those portions of disciplinary proceedings by any regulatory board within the Department of Professional and Occupational Regulation, Department of Health Professions, or the Board of Accountancy conducted pursuant to § 2.2-4019 or 2.2-4020 during which the board deliberates to reach a decision or meetings of health regulatory boards or conference committees of such boards to consider settlement proposals in pending disciplinary actions or modifications to previously issued board orders as requested by either of the parties.

28. Discussion or consideration of information subject to the exclusion in subdivision 11 of § 2.2-3705.6 by a responsible public entity or an affected locality or public entity, as those terms are defined in § 33.2-1800, or any independent review panel appointed to review information and advise the responsible public entity concerning such records.

29. Discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body.

30. Discussion or consideration of grant or loan application information subject to the exclusion in subdivision 17 of § 2.2-3705.6 by (i) the Commonwealth Health Research Board or (ii) the Innovation and Entrepreneurship Investment Authority or the Research and Technology Investment Advisory Committee appointed to advise the Innovation and Entrepreneurship Investment Authority.

31. Discussion or consideration by the Commitment Review Committee of information subject to the exclusion in subdivision 5 of § 2.2-3705.2 relating to individuals subject to commitment as sexually violent predators under Chapter 9 (§ 37.2-900 et seq.) of Title 37.2.

32. Discussion or consideration of confidential proprietary information and trade secrets developed and held by a local public body providing certain telecommunication services or cable television services and subject to the exclusion in subdivision 18 of § 2.2-3705.6. However, the exemption provided by this subdivision shall not apply to any authority created pursuant to the BVU Authority Act (§ 15.2-7200 et seq.).

33. Discussion or consideration by a local authority created in accordance with the Virginia Wireless Service Authorities Act (§ 15.2-5431.1 et seq.) of confidential proprietary information and trade secrets subject to the exclusion in subdivision 19 of § 2.2-3705.6.

34. Discussion or consideration by the State Board of Elections or local electoral boards of voting security matters made confidential pursuant to § 24.2-625.1.

35. Discussion or consideration by the Forensic Science Board or the Scientific Advisory Committee created pursuant to Article 2 (§ 9.1-1109 et seq.) of Chapter 11 of Title 9.1 of criminal investigative files subject to the exclusion in subdivision A 2 a of § 2.2-3706.

36. Discussion or consideration by the Brown v. Board of Education Scholarship Committee of information or confidential matters subject to the exclusion in subdivision 3 of § 2.2-3705.4, and meetings of the Committee to deliberate concerning the annual maximum scholarship award, review and consider scholarship applications and requests for scholarship award renewal, and cancel, rescind, or recover scholarship awards.

37. Discussion or consideration by the Virginia Port Authority of information subject to the exclusion in subdivision 1 of § 2.2-3705.6 related to certain proprietary information gathered by or for the Virginia



Port Authority.

38. Discussion or consideration by the Board of Trustees of the Virginia Retirement System acting pursuant to § 51.1-124.30, by the Investment Advisory Committee appointed pursuant to § 51.1-124.26, by any local retirement system, acting pursuant to § 51.1-803, by the Board of the Virginia College Savings Plan acting pursuant to § 23.1-706, or by the Virginia College Savings Plan's Investment Advisory Committee appointed pursuant to § 23.1-702 of information subject to the exclusion in subdivision 24 of § 2.2-3705.7.

39. Discussion or consideration of information subject to the exclusion in subdivision 3 of § 2.2-3705.6 related to economic development.

40. Discussion or consideration by the Board of Education of information relating to the denial, suspension, or revocation of teacher licenses subject to the exclusion in subdivision 11 of § 2.2-3705.3.

41. Those portions of meetings of the Virginia Military Advisory Council or any commission created by executive order for the purpose of studying and making recommendations regarding preventing closure or realignment of federal military and national security installations and facilities located in Virginia and relocation of such facilities to Virginia, or a local or regional military affairs organization appointed by a local governing body, during which there is discussion of information subject to the exclusion in subdivision 8 of § 2.2-3705.2.

42. Discussion or consideration by the Board of Trustees of the Veterans Services Foundation of information subject to the exclusion in subdivision 28 of § 2.2-3705.7 related to personally identifiable information of donors.

43. Discussion or consideration by the Virginia Tobacco Region Revitalization Commission of information subject to the exclusion in subdivision 23 of § 2.2-3705.6 related to certain information contained in grant applications.

44. Discussion or consideration by the board of directors of the Commercial Space Flight Authority of information subject to the exclusion in subdivision 24 of § 2.2-3705.6 related to rate structures or charges for the use of projects of, the sale of products of, or services rendered by the Authority and certain proprietary information of a private entity provided to the Authority.

45. Discussion or consideration of personal and proprietary information related to the resource management plan program and subject to the exclusion in (i) subdivision 25 of § 2.2-3705.6 or (ii) subsection E of § 10.1-104.7. This exclusion shall not apply to the discussion or consideration of records that contain information that has been certified for release by the person who is the subject of the information or transformed into a statistical or aggregate form that does not allow identification of the person who supplied, or is the subject of, the information.

46. (Effective January 15, 2018) Discussion or consideration by the Board of Directors of the Virginia Alcoholic Beverage Control Authority of information subject to the exclusion in subdivision 1 of § 2.2-3705.3 related to investigations of applicants for licenses and permits and of licensees and permittees.

47. Discussion or consideration of grant or loan application records subject to the exclusion in subdivision 28 of § 2.2-3705.6 related to the submission of an application for an award from the Virginia Research Investment Fund pursuant to Article 8 (§ 23.1-3130 et seq.) of Chapter 31 of Title 23.1 or interviews of parties to an application by a reviewing entity pursuant to subsection D of § 23.1-3133 or by the Virginia Research Investment Committee.

48. Discussion or development of grant proposals by a regional council established pursuant to Article 26 (§ 2.2-2484 et seq.) of Chapter 24 to be submitted for consideration to the Virginia Growth and Opportunity Board.

49. Discussion or consideration of (i) individual sexual assault cases by a sexual assault team established pursuant to § 15.2-1627.4 or (ii) individual child abuse or neglect cases or sex offenses involving a child by a child abuse team established pursuant to § 15.2-1627.5.

50. Discussion or consideration by the Board of the Virginia Economic Development Partnership Authority, or any subcommittee thereof, of the portions of the strategic plan, marketing plan, or operational plan exempt from disclosure pursuant to subdivision 33 of § 2.2-3705.7.

51. Those portions of meetings of the subcommittee of the Board of the Virginia Economic Development Partnership Authority established pursuant to subsection F of § 2.2-2237.3 to review and discuss information received from the Virginia Employment Commission pursuant to subdivision C 2 of § 60.2-114.

B. No resolution, ordinance, rule, contract, regulation or motion adopted, passed or agreed to in a closed meeting shall become effective unless the public body, following the meeting, reconvenes in open meeting and takes a vote of the membership on such resolution, ordinance, rule, contract, regulation, or motion that shall have its substance reasonably identified in the open meeting.

C. Public officers improperly selected due to the failure of the public body to comply with the other provisions of this section shall be de facto officers and, as such, their official actions are valid until they

551 obtain notice of the legal defect in their election.

552 D. Nothing in this section shall be construed to prevent the holding of conferences between two or  
553 more public bodies, or their representatives, but these conferences shall be subject to the same  
554 procedures for holding closed meetings as are applicable to any other public body.

555 E. This section shall not be construed to (i) require the disclosure of any contract between the  
556 Department of Health Professions and an impaired practitioner entered into pursuant to Chapter 25.1  
557 (§ 54.1-2515 et seq.) of Title 54.1 or (ii) require the board of directors of any authority created pursuant  
558 to the Industrial Development and Revenue Bond Act (§ 15.2-4900 et seq.), or any public body  
559 empowered to issue industrial revenue bonds by general or special law, to identify a business or industry  
560 to which subdivision A 5 applies. However, such business or industry shall be identified as a matter of  
561 public record at least 30 days prior to the actual date of the board's authorization of the sale or issuance  
562 of such bonds.

563 **§ 56-1.3. Regulation of Voice-over-Internet protocol service.**

564 Notwithstanding any provision of law, except ~~§§ 56-484.12-1 and~~ § 58.1-1730, to the contrary:

565 1. "Telecommunications service" and "telephone service" shall not include the provision of  
566 Voice-over-Internet protocol service for purposes of regulation by the Commission.

567 2. The Commission shall not have jurisdiction with respect to the regulation of Voice-over-Internet  
568 protocol service, including but not limited to the imposition of regulatory fees, certification requirements,  
569 and the filing or approval of tariffs.

570 3. Nothing herein shall be construed to either mandate or prohibit the payment of switched network  
571 access rates or other intercarrier compensation, if any, related to Voice-over-Internet protocol service, as  
572 may be determined by the Commission.

573 **§ 56-484.12. Definitions.**

574 As used in this article, unless the context requires a different meaning:

575 "Automatic location identification" or "ALI" means a telecommunications network capability that  
576 enables the automatic display of information defining the geographical location of the telephone used to  
577 place a wireless enhanced 9-1-1 call.

578 "Automatic number identification" or "ANI" means a telecommunications network capability that  
579 enables the automatic display of the telephone number used to place a wireless Enhanced 9-1-1 call.

580 "Board" means the 9-1-1 Services Board created pursuant to this article.

581 "Chief Information Officer" or "CIO" means the Chief Information Officer appointed pursuant to  
582 § 2.2-2005.

583 "Coordinator" means the Virginia Public Safety Communications Systems Coordinator employed by  
584 the Division.

585 "CMRS" means mobile telecommunications service as defined in the federal Mobile  
586 Telecommunications Sourcing Act, 4 U.S.C. § 124, as amended.

587 "CMRS provider" means an entity authorized by the Federal Communications Commission to provide  
588 CMRS within the Commonwealth.

589 "Division" means the Division of Public Safety Communications created in § 2.2-2031.

590 "Emergency services IP network" or "ESInet" means a shared public safety agency-managed Internet  
591 protocol (IP) network that (i) is used for emergency services communications, (ii) provides an IP  
592 transport infrastructure that is capable of carrying voice and data and that supports next generation 9-1-1  
593 service core functions such as routing and location validation of emergency service requests, and (iii) is  
594 engineered, managed, and intended to support emergency public safety communications and 9-1-1  
595 service.

596 "Enhanced 9-1-1 service" or "E-911" means a service consisting of telephone network features and  
597 PSAPs provided for users of telephone systems enabling such users to reach a PSAP by dialing the  
598 digits "9-1-1." Such service automatically directs 9-1-1 emergency telephone calls to the appropriate  
599 PSAPs by selective routing based on the geographical location from which the emergency call originated  
600 and provides the capability for ANI and ALI features.

601 "~~FCC order~~" means ~~Federal Communications Commission Order 94-102 (61 Federal Register 40348)~~  
602 ~~and any other FCC order that affects the provision of E-911 service to CMRS customers.~~

603 "*ESInet point of interconnection*" means *the demarcation point at which the NG9-1-1 Service*  
604 *Provider receives and assumes responsibility for 9-1-1 call traffic from originating service providers.*

605 "Local exchange carrier" means any public service company granted a certificate to furnish public  
606 utility service for the provision of local exchange telephone service pursuant to Chapter 10.1 (§  
607 56-265.1 et seq.) of Title 56.

608 "Next generation 9-1-1 service" or "NG9-1-1" means a service that (i) consists of coordinated  
609 intrastate 9-1-1 IP networks serving residents of the Commonwealth with the routing of emergency  
610 service requests, by voice or data, across public safety ESInets; (ii) automatically directs 9-1-1  
611 emergency telephone calls and other emergency service requests in data formats to the appropriate  
612 PSAPs by routing using geographical information system data; (iii) provides for ANI and ALI features;

and (iv) interconnects with enhanced 9-1-1 service.

"9-1-1 service" includes E-911 and NG9-1-1.

*"Originating service provider" means the local exchange carrier, VoIP provider, or CMRS provider that serves the end user over which a 9-1-1 call is made.*

"Place of primary use" has the meaning as defined in the federal Mobile Telecommunications Sourcing Act, 4 U.S.C. § 124, as amended.

"Postpaid CMRS" means CMRS that is not prepaid CMRS, as defined in § 56-484.17:1.

"Public safety answering point" or "PSAP" means a facility (i) equipped and staffed on a 24-hour basis to receive and process 9-1-1 calls or (ii) that intends to receive and process 9-1-1 calls and has notified CMRS providers in its jurisdiction of its intention to receive and process such calls.

"VoIP service" means interconnected voice over Internet protocol service as defined in the Code of Federal Regulations, Title 47, Part 9, section 9.3, as amended.

~~"Wireless E-911 CMRS costs" means all reasonable, direct recurring and nonrecurring capital costs and operating expenses incurred by CMRS providers in designing, upgrading, leasing, purchasing, programming, installing, testing, administering, delivering, or maintaining all necessary data, hardware, software and local exchange telephone service required to provide wireless E-911 service, which have been sworn to by an authorized agent of a CMRS provider.~~

"Wireless E-911 Fund" means a dedicated fund consisting of all moneys collected pursuant to the wireless E-911 surcharge, all prepaid wireless E-911 charges collected pursuant to § 56-484.17:1, and any additional funds otherwise allocated or donated to the Wireless E-911 Fund.

~~"Wireless E-911 service" means the E-911 service required to be provided by CMRS providers pursuant to the FCC order.~~

"Wireless E-911 surcharge" means a monthly fee of \$0.75 billed with respect to postpaid CMRS customers by each CMRS provider and CMRS reseller on each CMRS device capable of two-way interactive voice communication.

**§ 56-484.16. Local emergency telecommunications requirements; use of digits "9-1-1."**

A. On or before July 1, 2003, every county, city or town in the Commonwealth shall be served by an E-911 system, unless an extension of time has been granted by the Board.

B. The digits "9-1-1" shall be the designated emergency telephone number in Virginia. No public safety agency shall advertise or otherwise promote the use of any number for emergency response service other than "9-1-1."

*C. All originating service providers required to provide access to 9-1-1 service shall route the 9-1-1 calls of their subscribers to ESInet points of interconnection designated by the Board. The Board shall establish points of interconnection at or within the local access and transport area and in proximity of each selective router central office providing E-911 service as of July 1, 2018. Additionally, the Board shall establish a minimum of one pair (two) and a maximum of three pair (six) geographically diverse from their designated pair point of session initiation protocol (SIP) interconnection within the Commonwealth. The Board shall establish ESInet points of interconnection in a manner that minimizes cost to the originating service providers to the extent practicable while still achieving necessary 9-1-1 service and ESInet objectives.*

*D. The NG9-1-1 service provider shall receive the 9-1-1 calls delivered by the originating service provider at the designated ESInet points of interconnection and deliver the calls to the appropriate PSAP. The NG9-1-1 service provider shall not charge the originating service provider to connect to the ESInet point of interconnection nor for the delivery of the 9-1-1 calls to the PSAP. The originating service provider responsibility for 9-1-1 calls ends and the PSAP responsibility begins at their respective sides of the ESInet point of interconnection.*

*E. The PSAP shall validate the location of the originating service provider subscribers as necessary to ensure the location exists and will route to the appropriate PSAP if 9-1-1 is dialed. The PSAP shall not charge the originating service provider for such validation.*

*F. No later than July 1, 2023, the Board shall develop and fully implement NG9-1-1 transition plans to migrate PSAPs and originating service providers from E-911 to NG9-1-1. To the extent practicable, the migration of PSAPs will be implemented on a sequential region-by-region basis for those PSAPs served by each legacy E-911 selective router pair. With a minimum of six months' written notice to the impacted stakeholders, this date may be extended by the Board for good cause. For purposes of this section, "good cause" means an event or events reasonably beyond the ability of the Board to anticipate or control.*

**§ 56-484.17. Wireless E-911 Fund; uses of Fund; enforcement; audit required.**

A. There is hereby created in the state treasury a special nonreverting fund to be known as the Wireless E-911 Fund (the Fund). The Fund shall be established on the books of the Comptroller. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund

674 but shall remain in the Fund. Except as provided in § 2.2-2031, moneys in the Fund shall be used for  
675 the purposes stated in subsections C ~~through~~ and D. Expenditures and disbursements from the Fund  
676 shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed  
677 by the Tax Commissioner or the Chief Information Officer of the Commonwealth.

678 B. Each CMRS provider and each CMRS reseller shall collect a wireless E-911 surcharge from each  
679 of its customers whose place of primary use is within the Commonwealth. However, no surcharge shall  
680 be imposed on federal, state and local government agencies. A payment equal to all wireless E-911  
681 surcharges shall be remitted within 30 days to the Department of Taxation. The Department of Taxation,  
682 after subtracting its direct costs of administration, shall deposit all remitted wireless E-911 surcharges  
683 into the state treasury. The Comptroller shall as soon as practicable deposit such moneys into the Fund.  
684 Each CMRS provider and CMRS reseller may retain an amount equal to three percent of the wireless  
685 E-911 surcharges collected to defray the costs of collecting the surcharges. State and local taxes shall  
686 not apply to any wireless E-911 surcharge collected from customers. Surcharges collected from  
687 customers shall be subject to the provisions of the federal Mobile Telecommunications Sourcing Act (4  
688 U.S.C. § 116 et seq., as amended).

689 The CMRS provider and CMRS reseller shall collect the surcharge through regular periodic billing.

690 C. ~~Beginning July 1, 2012, 60~~ Sixty percent of the Wireless E-911 Fund shall be distributed on a  
691 monthly basis to the PSAPs according to each PSAP's average pro rata distribution from the Wireless  
692 E-911 Fund for fiscal years 2007-2012, taking into account any funding adjustments made pursuant to  
693 subsection E. On or before July 1, 2018, and every five years thereafter, the Department of Taxation  
694 shall recalculate the distribution percentage for each PSAP based on the ~~cost~~ *population* and call load  
695 data of the PSAP for the previous five fiscal years, which data shall continue to be received by the  
696 Board and then reported to the Department of Taxation. The distribution from the Wireless E-911 Fund  
697 shall be made on a monthly basis to the PSAPs according to such distribution percentage beginning July  
698 1 of such fiscal year.

699 D. Using 30 percent of the Wireless E-911 Fund, the Board shall provide payment to CMRS  
700 providers of wireless E-911 CMRS costs. For these purposes each CMRS provider shall submit to the  
701 Board on or before December 31 of each year an estimate of wireless E-911 CMRS costs it expects to  
702 incur during the next fiscal year of counties and municipalities in whose jurisdiction it operates. The  
703 Board shall review such estimates and advise each CMRS provider on or before the following March 1  
704 whether its estimate qualifies for payment hereunder and whether the Wireless E-911 Fund is expected  
705 to be sufficient for such payment during said fiscal year. A CMRS provider with an approved estimate  
706 of costs shall submit its request for payment of such costs no later than four months after the end of the  
707 fiscal year in which the cost was incurred. If the portion of the Fund designated for CMRS provider cost  
708 payments is insufficient to provide full payment to each CMRS provider for its costs, no unpaid cost  
709 shall be paid in the following fiscal year. The remaining 10 ~~40~~ percent of the Fund and any remaining  
710 funds for the previous fiscal year from the 30 percent for CMRS providers shall be distributed to PSAPs  
711 or on behalf of PSAPs based on grant requests received by the Board each fiscal year. The Board shall  
712 establish criteria for receiving and making grants from the Fund, including procedures for determining  
713 the amount of a grant and payment schedule; however, ~~the grants must be to the benefit of wireless~~  
714 ~~E-911 priority shall be given to grants that support the deployment and sustainment of NG9-1-1. Any~~  
715 ~~grant funding that has not been committed by the Board by the end of the fiscal year shall be~~  
716 ~~distributed to the PSAPs based on the same distribution percentage used during the fiscal year in which~~  
717 ~~the funding was collected; however, the~~ *If requested by an originating service provider, the Board shall*  
718 *execute a contract to reimburse that originating service provider for its costs incurred to deliver 9-1-1*  
719 *calls to the ESInet points of interconnection. The Board shall ensure that cost is minimized while still*  
720 *achieving necessary 9-1-1 service and ESInet objectives. The Board may retain some or all of this*  
721 *uncommitted funding for an identified 9-1-1 funding need in the next fiscal year or for a reserve balance*  
722 *pursuant to a reserve balance policy adopted by the Board.*

723 E. After the end of each fiscal year, on a schedule adopted by the Board, the Board shall audit the  
724 grant funding received by all recipients to ensure it was utilized in accordance with the grant  
725 requirements. For the fiscal year ending June 30, 2005, the Board shall determine whether qualifying  
726 payments to PSAP operators and CMRS providers during the preceding fiscal year exceeded or were  
727 less than the actual wireless E-911 PSAP costs or wireless E-911 CMRS costs of any PSAP operator or  
728 CMRS provider. Each funding recipient shall provide such verification of such costs as may be  
729 requested by the Board. Any overpayment shall be refunded to the Board or credited to payments during  
730 the ~~then current~~ *then-current* fiscal year, on such schedule as the Board shall determine. If payments are  
731 less than the actual costs reported, the Board may include the additional funding in the ~~then current~~  
732 *then-current* fiscal year.

733 F. The Auditor of Public Accounts, or his legally authorized representatives, shall annually audit the  
734 Wireless E-911 Fund. The cost of such audit shall be borne by the Board and be payable from the  
735 Wireless E-911 Fund, as appropriate. The Board shall furnish copies of the audits to the Governor, the

**736** Public Safety Subcommittees of the Senate Committee on Finance and the House Committee on  
**737** Appropriations, and the Virginia State Crime Commission.  
**738** G. The special tax authorized by § 58.1-1730 shall not be imposed on consumers of CMRS.  
**739** 2. That §§ 56-484.12:1, 56-484.12:2, and 56-484.15 of the Code of Virginia are repealed.

**INTRODUCED**

HB1388