

REPORT OF THE

**Commission on
Population Growth
and Development**

**TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA**



HOUSE DOCUMENT NO. 72

**COMMONWEALTH OF VIRGINIA
RICHMOND
1993**



COMMISSION ON POPULATION GROWTH & DEVELOPMENT

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COMMONWEALTH of VIRGINIA

*Commission on Population
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February 10, 1993

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To the Honorable L. Douglas Wilder, Governor
and the General Assembly of Virginia

Please accept this interim report of the Commission on Population Growth and Development, in fulfillment of our obligation pursuant to Title 9, Chapter 22.4 of the Code of Virginia (HJR 435, 1990).

This year marks a turning point for the Commission as we complete a comprehensive study of the effects of population growth in the Commonwealth and consider future challenges.


The Commission examined the facts and figures describing the changes Virginia experienced in the last ten years. Some of these indicators are in this report. The Commission also reviewed and considered information gathered by other state commissions charged with studying economic, infrastructure, revenue and environmental issues in the Commonwealth.

The Commission believes that Virginia faces two choices. We can continue along our current path by encouraging and condoning costly, inefficient patterns of growth in highly populated areas while ignoring the missed opportunities in communities that are not growing. On the other hand, we can devise a new strategy that addresses the problems and promotes growth that increases the benefits to the business community and the average Virginian.

A draft discussion proposal for a statewide planning process, the Virginia Growth Strategies Act, is attached. The Commission plans to spend the next year soliciting public comment on the draft from various interests across the state. It is our hope to produce a legislative proposal that could be submitted to the 1994 General Assembly session.

We commend this report to you and look for your suggestions and support as we seek to help Virginia meet the challenges of the future.

Sincerely,


W. Tayloe Murphy, Jr.
Chairman

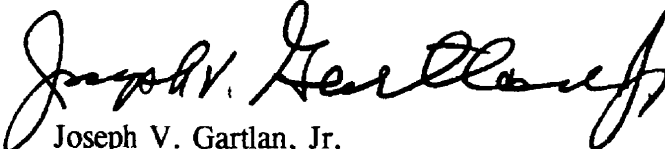

Joseph V. Gartlan, Jr.
Vice Chairman



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HISTORY OF THE COMMISSION

Virginia experienced unprecedented growth and change in the past 20 years. Over 6.2 million people now live in the Commonwealth, a 15.7 percent increase in ten years. This rapid expansion made Virginia the fifth fastest-growing state in the nation during the last decade. Another two and one-half million new residents are expected over the next 30 years.

In the early 1980s, Virginians joined with their neighbors in Maryland, Pennsylvania and the District of Columbia to consider the impact of rapid population growth on the Chesapeake Bay. A key commitment in the 1987 Chesapeake Bay Agreement was "to plan for and manage the adverse environmental effects of human population growth and land development in the Chesapeake Bay watershed."

This led to the creation of the Year 2020 Panel, which recognized that growth issues reach far beyond the Chesapeake Bay Watershed. The panel urged Virginians to develop land use policies and growth strategies for all parts of the state, including those regions growing slowly or not at all.

In 1989, the Virginia General Assembly created the Commission on Population Growth and Development and gave it six legislative charges (Acts of Assembly, 1990, Chapter 833; House Joint Resolution 435, 1989). In 1990, the Commission was expanded from 19 to 33 members to broaden the interests represented and ensure statewide involvement.

The Commission's legislative charges are:

- * to study and evaluate the consequences of present and anticipated changes in population and the patterns of development on the economic vitality and environmental health of all regions in the Commonwealth;
- * to develop initiatives to ensure that adequate planning, coordinating and sharing of information occurs at all levels of government in order to guide population growth and development in Virginia, with recognition of the appropriate state, regional and local responsibilities;
- * to recommend alternative measures to fund the infrastructure improvements and conservation efforts that will enhance Virginia's ability to manage its population growth and development;
- * to propose innovative and cooperative land management techniques that will accommodate growth and development;

- * to evaluate ways to coordinate efforts by the General Assembly and state agencies to address matters of population growth and development, including consideration of a statewide planning process; and
- * to report annually its findings and recommendations to the Governor and the General Assembly.

Population Growth, 1980-1990



Source: U.S. Department of Commerce, Bureau of the Census. Summary Tape File 1A, Virginia (data extract). Washington, D.C., 1991.



VIRGINIA NEEDS A PLANNING PROCESS

THE COMMISSION'S RESPONSE TO ITS CHARGES

It is a simple fact: Virginia's population will grow by at least 2.5 million by the year 2020, a 30% increase. Are we prepared to accommodate this growth? Will we grow in a way that promotes economic development, makes efficient use of financial resources and existing infrastructure and protects the resources of the Commonwealth? Or will we continue a process that promotes inefficient and costly use of public monies and neither protects nor strengthens our communities and our environment? It is time to make our choice.

For two years, the Commission on Population Growth and Development has heard from the citizens of the Commonwealth about the effects of rapid growth as well as the effects of slow growth or stagnation. The Commission also heard about the state of the Commonwealth and the condition of its economy, communities, businesses and environment. The Commission reviewed the work of other study commissions that have been charged with examining similar issues. From the Land Use Advisory Committee twenty years ago, to the work of the A. L. Philpott Southside Economic Development Commission this past year, Virginia's leaders have become aware of the necessity for new approaches to growth and development. What we offer here is based on the recognition that the problems facing Virginia are not new but have increased in intensity. These problems will not be resolved through inaction.

This Annual Report presents important information about the issues facing the Commonwealth. This information has prompted the Commission to propose a **process for long term strategic planning**. If we are to grow gracefully and prosper, while retaining the advantages of the present Virginia, we must identify ways to make better decisions and to understand the full effects of our decisions. We must balance competing concerns and seek active participation from all members of society. We must be willing to coordinate planning at all levels of government and live within our fiscal means.

The Commission believes that it is time to establish a statewide strategic planning process that will create a partnership between the state, local governments and regional entities.

This report is our invitation to you to examine our conclusions and to review a possible approach, The Virginia Growth Strategies Act, that is contained in the appendix.

We look forward to your thoughtful response to the issues raised in this report, invite your questions, and seek your constructive advice over the next year in crafting a workable solution.

MAINTAINING A PRODUCTIVE ECONOMY

The Changing Economic Climate

"The system of growth planning and management, on a county-to-city-to-town basis, has not worked in the past."

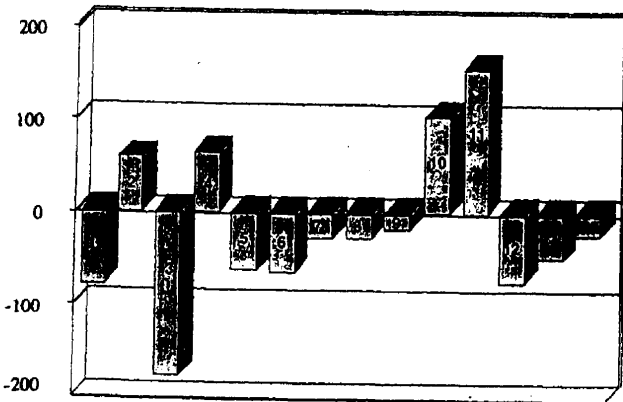
*Thomas Y. Savage,
Attorney,
Fredricksburg*

The uninterrupted growth of the 1980s has slowed to some degree in most Virginia communities, due to the effects of the national and regional recession. From 1990 to 1991, employment in Virginia decreased in all major categories except government.

State economists predict a slow and modest recovery in Virginia. The rate of new residents moving into the state is expected to slow and the number of new jobs created is not expected to match the expansion of the 1980s. Personal income growth and consumer spending may increase at a slower rate. Despite these factors, or indeed because of them, Virginia needs to examine the economic impacts of past and future change and develop strategies for promoting economic growth in order to provide employment and other benefits that flow from a strong economy.

Several other factors reflect the Commonwealth's changing economic climate:

Industrial Sector Deviations from State Average Growth Rate in Gross State Product, 1977 - 1989



- 1 - Farms
- 2 - Agricultural services, forestry, & fisheries
- 3 - Mining
- 4 - Construction
- 5 - Durable goods manufacturing
- 6 - Non-durable goods manufacturing
- 7 - Transportation & public utilities
- 8 - Wholesale trade
- 9 - Retail trade
- 10 - Finance, insurance, & real estate
- 11 - Services
- 12 - Federal civilian government
- 13 - Federal military
- 14 - State & local government

* Defense Spending Shrinks

The United States defense build up in the 1980s contributed to Virginia's rapid growth rate. Military personnel stationed in Virginia and federal employment of civilians in defense accounted for five percent of the total growth in state employment in the decade.

But federal defense spending will drop from ten to seven percent of the state's total economy by 1997, according to the Governor's Commission on Defense Conversion (1992 report).

The hardest hit communities will be those in the high-growth corridor. Northern Virginia now reaps 49 percent of federal defense monies in Virginia, while Hampton Roads receives 39 percent. Both regions are already experiencing a slowdown in the supply of new jobs for

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Survey of Current Business volume 71, number 12 (December 1991), USGPO, Washington, D.C., 1991.

highly skilled workers and layoffs among defense contractors and related businesses.

Strategic planning must be launched to help these hard hit communities and regions diversify their economies and create new jobs for defense workers. The draft Virginia Growth Strategies Act appended to this report sets forth a process that could provide a coordinated approach to the economic changes facing the Commonwealth.

*** Federal Support Dwindling**

From 1980 to 1991, federal funds declined, as a proportion of the state budget, from 25.5 percent to 16 percent, according to the Joint Legislative Audit and Review Commission (JLARC) report. For local governments, federal monies dipped from 13 percent to 5.2 percent of local budgets.

At the same time, hundreds of new program standards and administrative requirements were imposed on state and local governments, according to the U. S. General Accounting Office.

The substantial drop in federal funds and the increase in federal mandates requires a more cost-efficient and coordinated government. The strategic planning process envisioned by the draft legislation encourages and enhances the opportunities and benefits for regional collaboration in many areas.

*** Population Growth and the Demand for Services**

An increasingly diverse population in Virginia puts greater pressure on both state and local governments to provide more services at less cost.

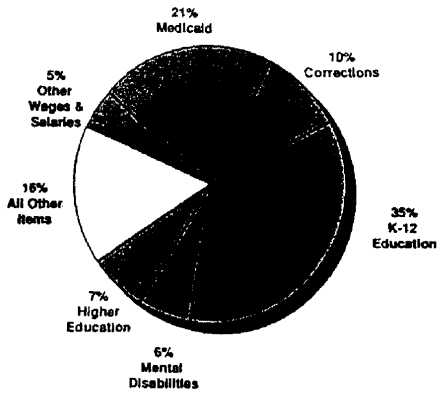
The growing elderly population requires a larger share of public funds for health care. Increasing school enrollments

"An educated and informed public is crucial if public officials of the various jurisdictions are to be able to overcome parochial interests and to achieve true regional cooperation."

*Patricia Brady,
League of Women
Voters
(Northern Virginia)*

trigger higher construction and operating costs. More non-English speaking residents need more specialized programs in schools and government. And the expanding population inevitably puts greater pressure on transportation networks and environmental protection.

Major mandates and salaries explain 84 percent of the increase in Virginia's budget since 1985



Total increase in general fund budget 1985 to 1994

\$2.9 billion

Currently, 84 percent of the state General Fund Budget is spent on six program areas: primary education through high school, higher education, corrections, Medicaid, mental health and mental retardation and state government administration.

As more and more of the state's budget is spent on these six program areas, it leaves less money for the infrastructure, economic development initiatives and environmental programs that could help promote and accommodate growth.

Coordinated planning can ensure that all available funds are spent in the most cost-effective manner, to provide needed services today and for orderly growth in the future. Planning for growth at the state, regional and local levels can also help set priorities, for both short and long term spending. The draft legislation outlines such a planning process and also sets in place statewide planning goals.

Population Losses in Cities and Rural Areas

While the period from 1980 to 1990 saw high growth rates in portions of the Urban Crescent of Virginia, other regions of the state held steady or lost population during that same period.

Census reports show that two-thirds of the growth occurred in just six localities in the 1980s. Fairfax County and Virginia Beach accounted for 44 percent of the increase in population statewide. Of the 104 localities outside the Urban Crescent, half lost population in the past decade and witnessed a corresponding decline in real income and the local tax base.

*** Cities See Income Drop, Poverty Rise**

As businesses and the middle class moved out of Virginia's cities to the suburbs, the traditional urban centers became more stratified by race and income. A statewide study by Professor William H. Lucy, University of Virginia, shows wide disparities between depressed central cities - such as Richmond, Fairfax City and Newport News - and the prosperous suburbs next door.

The Lucy report indicates that in 1989, the median income in central cities was 73.6 percent of that earned in neighboring suburbs and trends indicate even more lost ground in the future. The poverty rate in these cities was also three times the rate in adjacent suburbs.

Overall, while the urban crescent counties experienced rising household incomes, the urban core cities remained home to the highest concentration of people in poverty in the state.

"Cities are major economic and cultural centers with generally declining populations. There are insufficient resources to support the facilities and services provided by cities."

*John Dugan,
Director of Planning,
City of Norfolk*

Percent of Total Persons Below Poverty Level, 1989



Source: U.S. Department of Commerce, Bureau of the Census, Summary Tape File 3A, (data extract), Washington, D.C., 1992.

* **Rural Areas Face Series of No-Growth Problems**

The majority of rural communities in Virginia watched population decline as young people moved to the growing urban/suburban areas to live and work. At the same time Virginia's resource-based industries, which are the heart of the economy in rural areas, did poorly, as compared to other sectors, during the decade of high growth.

In turn, rural areas experienced higher poverty levels, particularly among the elderly. Older Virginians now account for twenty percent of those living in rural poverty.

"Low growth is a consequence of lack of opportunity. You must consider economics."

*Jack Houghton,
Southside resident*

The 1992 report of the A. L. Philpott Southside Economic Development Commission summed up the host of problems faced by the rural regions: declining populations, inadequate infrastructure, lower wages and income levels, and a weak education system with little promise of training the high skilled workers needed to draw new, higher paying industries.

"Little growth is predicted for the region in the coming decade as Southside is poorly represented in the anticipated growth industries of finance, insurance, and real estate," states the Southside Economic Development Commission report. "Absent new, effective initiatives, these grim trends are likely to continue."

Given the special problems confronting both rural communities and central cities, it is critical that growth strategies address the needs of areas that are not growing. Growth strategies must also take into account the social, educational and other impacts of population, economic changes and development patterns. The draft Virginia Growth Strategies act lists statewide planning goals that address the different challenges facing the various regions of the state.

Preserving Economic Opportunity

If Virginia is to remain competitive in national and world markets and offer an outstanding quality of life to all its citizens, growth must be managed to preserve economic opportunities.

Drawing new industries to Virginia becomes critical as the state weathers a drop in federal defense spending.

Companies do not locate where the quality of life is poor, where housing and tax rates are high, where congestion leads to grid-lock and there is a lack of services. Moreover, new industries tend to locate where air and water quality is high.

Growth strategies must address the need for affordable housing, greater access to transit, open space and recreation and the orderly provision of infrastructure and services to keep tax rates stable. The strategic planning process outlined by the draft Virginia Growth Strategies Act can provide for the examination of regional impacts and help avoid conflicts between jurisdictions.

*** Targeting Growth**

Businesses seeking to relocate or expand can be drawn to targeted growth centers by providing adequate infrastructure, accessible and adequate transportation networks and urban or rural development incentives in these centers.

In Oregon, the statewide growth plan directed local governments to prepare for a variety of industries before they arrived. Services were expanded, environmental issues resolved and new industrial sites were created.

A developer's normally complex process of securing construction permits has become a one-stop job in Oregon. Businesses applaud the growth management system because it ensures that all interests know the rules and can do a better job of predicting their economic future.

Similar strategies could be used in Virginia, such as incentives to direct housing or business projects toward hard-pressed areas, or into areas with adequate public facilities. The draft Virginia Growth Strategies act acknowledges the need for both more planning assistance as well as infrastructure funding throughout the state to aid in this process.

"Industries must realize that it will no longer be 'business as usual' and that our environment must and will be protected. Environmentalists must realize that growth and economic development will not be stopped. Governments too, must be willing to consider change."

*Hullihen W. Moore,
Commissioner,
State Corporation
Commission*

*** Preserving Rural Economies**

Survival of Virginia's resource-based industries - agriculture, forestry, fisheries and mining - is vital to the diversity and economic stability of the Commonwealth and to the health of rural economies.

In 1990, farm receipts in Virginia totaled \$2.1 billion, while farm employment generated \$732 million in personal income, according to the state Department of Economic Development (DEC).

Virginia fisheries, the third largest catch in the nation, contributed \$107 million to the state's economy in 1990.

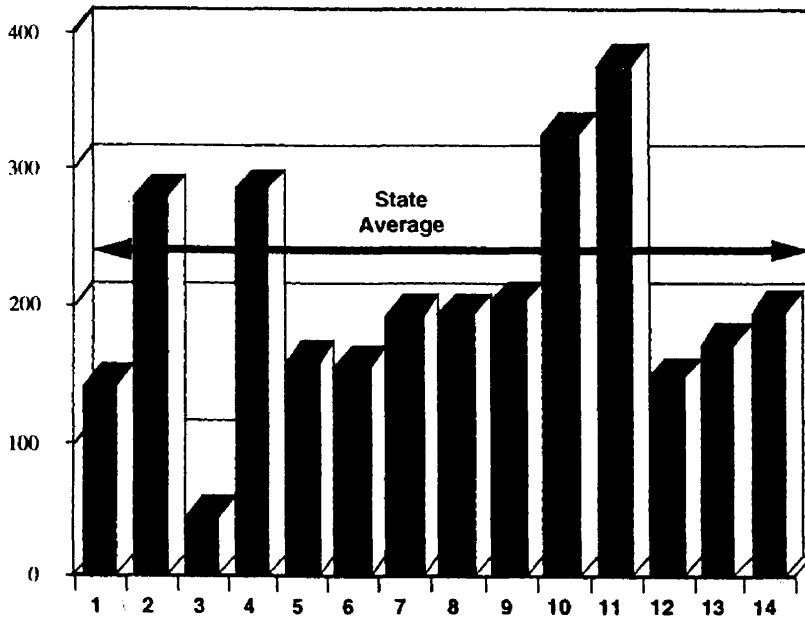
Forestry contributes over 5.2 billion dollars annually to Virginia's economy. The 1990 timber harvest totaled \$147 million in payments to landowners, with manufactured products from timber supporting a \$3.8 billion a year industry.

With more than 1,000 different forest product businesses in the state, the industry contributes to the local economy in every county in Virginia, particularly in the hard-pressed rural communities of Southside and the Blue Ridge.

Virginia ranked sixth among coal producing states in 1990. Virginia also has valuable deposits of granite, stone, sand and gravel and sedimentary rocks. The total value of mineral production in Virginia in 1990 was more than \$2.33 billion, generating \$767 million in personal income for state residents.

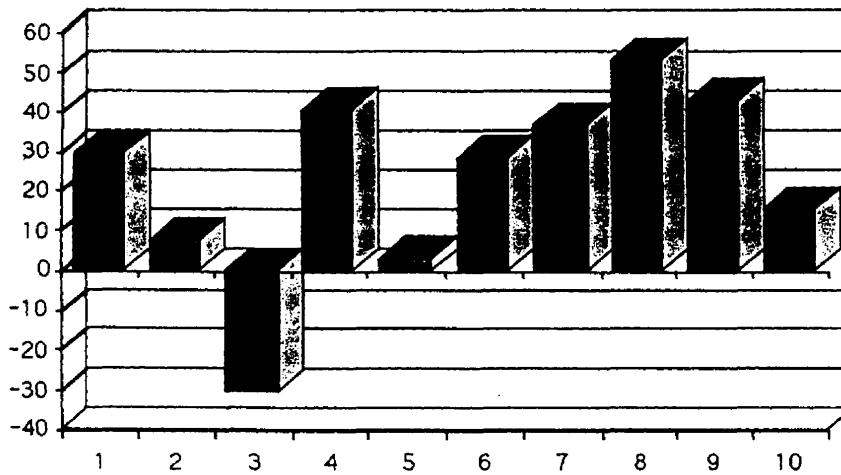
The impact of future state economic development policies must be considered in the larger context of the land, water and air that support these industries. Growth and development must be planned in a manner that both protects and enhances the resource-based industries of Virginia. Strategies must enhance existing rural businesses, as well as attract new industry and population to rural areas. The draft Virginia Growth Strategies Act requires increased coordination between state agencies as well as attention to local planning to assist in these efforts.

Percent Growth in Gross State Product by Industrial Sector,
Virginia, 1977-1989



- 1 - Farms
- 2 - Agricultural services, forestry, & fisheries
- 3 - Mining
- 4 - Construction
- 5 - Durable goods manufacturing
- 6 - Nondurable goods manufacturing
- 7 - Transportation & public utilities
- 8 - Wholesale trade
- 9 - Retail trade
- 10 - Finance, insurance, & real estate
- 11 - Services
- 12 - Federal civilian government
- 13 - Federal military
- 14 - State & local government

Employment Change by Industry, Virginia: 1980-90



- 1 - All Industries
- 2 - Agriculture, Forestry, & Fisheries
- 3 - Mining
- 4 - Construction
- 5 - Manufacturing
- 6 - Transportation, Communication, & Public Utilities
- 7 - Trade
- 8 - Finance, Insurance, & Real Estate
- 9 - Services
- 10 - Public Administration

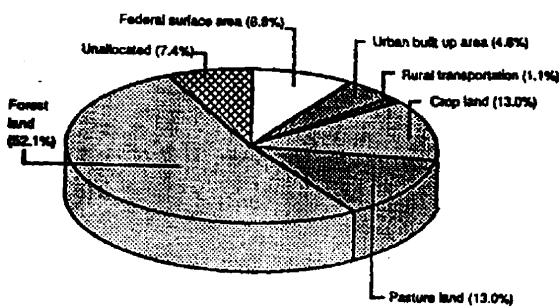
Source: U.S. Department of Commerce, Bureau of the Census. Summary Tape File 3A, Virginia (data extract). Washington, D.C., 1992.

Source: U.S. Department of Commerce, Bureau of the Census. General Social and Economic Characteristics (PC80-1-C48). USGPO, Washington, D.C., 1983.

PRESERVING IMPORTANT RESOURCES

The pressures of growth require that special attention be paid to planning for the protection of the natural resources that sustain the outstanding quality of life in Virginia - clean air and water, scenic areas, abundant fields and forests, significant historic buildings and communities, and diverse and valuable habitats. In order to preserve and build in a pattern that is compatible with the conservation of these resources, it is important to understand the forces that make protection and preservation increasingly difficult.

Figure 8.1
Land Cover/Use for Virginia: 1982



Source: Table 8.2

* Land Consumption Outpaces Population

Inefficient patterns of development lead to a loss of our farmland, forests and open spaces. In Maryland, a study revealed that the rate of land consumption was twice the rate of population growth for the past decade.

Due to the lack of a Virginia data network, we have no comparable reliable data. We do know from the 1990 census that in the five years between 1982 and 1987, 140,000 acres of Virginia's rural lands were converted to urban land use, including 37,000 acres of prime farmland. In fifteen years, from 1976 to 1992, 370,000 acres of forest land were lost.

The draft Virginia Growth Strategies Act calls for the creation of a state comprehensive data network so that, in the future, development and natural resource changes can be better predicted and consequences understood. Comprehensive data will also be a valuable form of "infrastructure" needed to support future economic development and natural resource protection.

As a separate and independent initiative, the Commission has pursued the establishment of a comprehensive data network (a geographical information system); however, this important project will be delayed by the failure of the Commission to receive funding during the 1993 session of the General Assembly for Phase II of the comprehensive data project. Any further delays in the development of the statewide data network (GIS) will adversely affect Virginia's competitive position in the area of economic

development and will make it more difficult to reach wise decisions for the protection of our natural resources.

*** Cars, Land Use and Air Quality**

The federal Clean Air Act, reauthorized in 1990, directs Virginia to achieve minimal clean air standards by the year 2000. The Urban Crescent communities -- Northern Virginia, Richmond and Hampton Roads -- fail to meet those standards for ozone and carbon monoxide pollution.

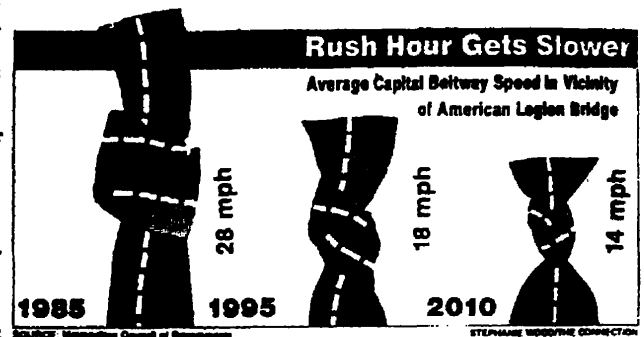
Cars are the largest contributor to air pollution. In Northern Virginia, cars generate 66 percent of air emissions, 53 percent of emissions in Hampton Roads and 43 percent in Richmond.

In 1990, 90 percent of Virginia workers commuted to work alone. Seven percent of the state labor force drives more than an hour to get to work. The problem is particularly acute in Northern Virginia, which contains the state's greatest concentration of people who commute more than one hour daily.

Land use patterns are largely responsible for creating the heavy dependency on individual cars that worsen air quality. During the past decade, the average number of miles driven per person increased by 55 percent.

To require states to recognize the link between land use and development, and air quality, the Federal Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 mandates that local and state transportation plans be consistent with state air quality plans. ISTEA calls for coordinated planning to meet a wide range of mobility, environmental and community goals.

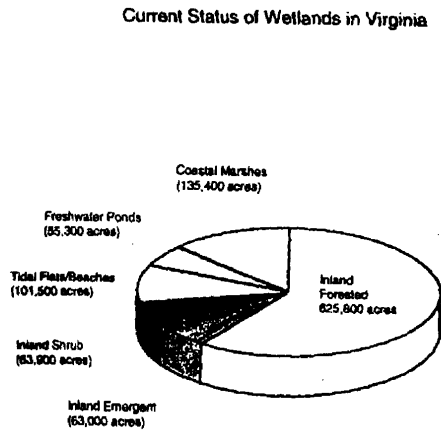
The strategic planning process included in the draft Virginia Growth Strategies Act would provide a comprehensive and coordinated means for addressing federal mandates.



* Water Quality and Land Use

Virginia must also coordinate land use policies to ensure compliance with federal and state regulations that protect the Chesapeake Bay. The 1987 Chesapeake Bay Agreement calls for member states to "assert the full measure of their authority to mitigate the potential adverse effects of continued growth."

Population growth and development, forestry, and agriculture account for the non-point sources of pollution that degrade the Bay and its tributaries to an even greater extent than point sources.



Source: Commonwealth of Virginia, Water Control Board, Virginia Water Quality Assessment 1992, (Information Bulletin 542), various eds., Richmond, Virginia, 1992.

The Bay agreement calls for the participating states to reduce nitrogen and phosphorous loadings to the Bay by 40 percent by the year 2000. Measures are in place to reduce: (1) the stormwater that floods overburdened sewage treatment plants; (2) the erosion caused by poor management practices at new construction sites; (3) the overuse of fertilizers on residential and commercial properties; and (4) the air pollution generated by traffic congestion.

To reach this goal, Virginia must lessen the amount of pollution from non-point sources, -- eg. runoff from parking lots and highways, lawns and farms, office parks and golf courses.

In its 1991 annual report, the Chesapeake Bay Commission acknowledged the "direct link between effective growth management and improved water quality, between directing growth and producing economic vitality and between reducing sprawl and maintaining a high quality of life."

Lessons learned from the Bay studies can be applied to water bodies throughout the state. Virginia must examine its water policies statewide. One example of the challenge facing Virginia is the fact that one out of five of the state's 17,958 miles of rivers and streams now fails to meet the standards of the Federal Clean Water Act.

With planning, growth can be directed into more compact patterns and away from sensitive areas. Planning for orderly growth and

development can help preserve our natural resources while obtaining the maximum return on public investment. The draft Virginia Growth Strategies Act, through its citizens advisory committee and public participation requirements, brings to the planning process a greater variety of interests to make strategic decisions with regard to our natural resources.

*** Threats to Historic Resources**

Our rich historic legacy is a major draw for the visitors supporting Virginia's \$8 billion a year tourism industry. Travel and tourism more than doubled in the past decade and support 159,000 jobs today.

The purchase of historic commercial properties pumped \$350 million into the economy in the past twenty years. State economists report that every preservation dollar also generated another \$3 in additional business activity, such as construction, insurance or legal services.

Throughout the state, investment in local historic districts serves as an important revitalization tool, strengthening local property values and expanding the local tax base. Studies in Richmond, Fredericksburg and Roanoke indicate that renovated properties are valued higher and appreciate faster in historic districts than elsewhere in the cities.

Historic structures, neighborhoods and communities are a valuable resource for Virginia but in many instances they are being destroyed or weakened due to inappropriate development. Traditional downtowns are losing vitality to a variety of competing new business centers. The unique features of many rural areas are being erased by residential subdivisions and other alternative uses.

A strategic planning process can help communities direct growth in order to preserve and build on the economic advantages of historic buildings, communities, battlefields and other archeological resources.

"It shall be the policy of the Commonwealth to conserve, develop, and utilize its natural resources, its public lands, and its historical sites and buildings. Further, it shall be the Commonwealth's policy to protect its atmosphere, lands, and waters from pollution, impairment, or destruction, for the benefit, enjoyment, and general welfare of the people of the Commonwealth."

*Article XI,
Virginia Constitution*

*** Promoting and Protecting our Forests, Parks and Waterfronts**

Virginia's parks and forest lands, rural landscapes and open spaces contribute enormously to the quality of life we enjoy. Virginians voice strong support for the protection and preservation of these natural resources.

In 1990, 47.9 percent of the taxpayers who used the "check-off" box to earmark a small portion of their tax refund to specific areas donated \$376,334 to protect non-game wildlife, and 13.6 percent donated \$106,932 to preserve open space.

Sixty-seven percent of voters supported the November 1992 bond referendum to spend \$95 million to buy and protect parkland and natural areas. Until the purchase of Kiptopeke State Park in 1992, the state had not purchased a new state park in almost two decades. Virginia ranks 35th among the states in total state park acreage and is ranked 47th in state park acreage per person.

Forests cover nearly two-thirds of the Commonwealth. Two million acres, or 12.8 percent, is open to its citizens for recreation.

Virginia's waterfront offers a wide range of recreational opportunities, but only one percent of the state's 5,300 miles of shoreline along the Chesapeake Bay is publicly-owned, a condition severely limiting public access to this outstanding resource.

The Virginia Natural Heritage Program identified more than 600 critical natural areas statewide that support rare, threatened and endangered species or important wildlife habitat. But much vital habitat is rapidly disappearing. In the Williamsburg area, the Heritage Program documented less than one-half of the number of rare species noted in earlier surveys. Similar trends were noted in Northern and Southeastern Virginia.

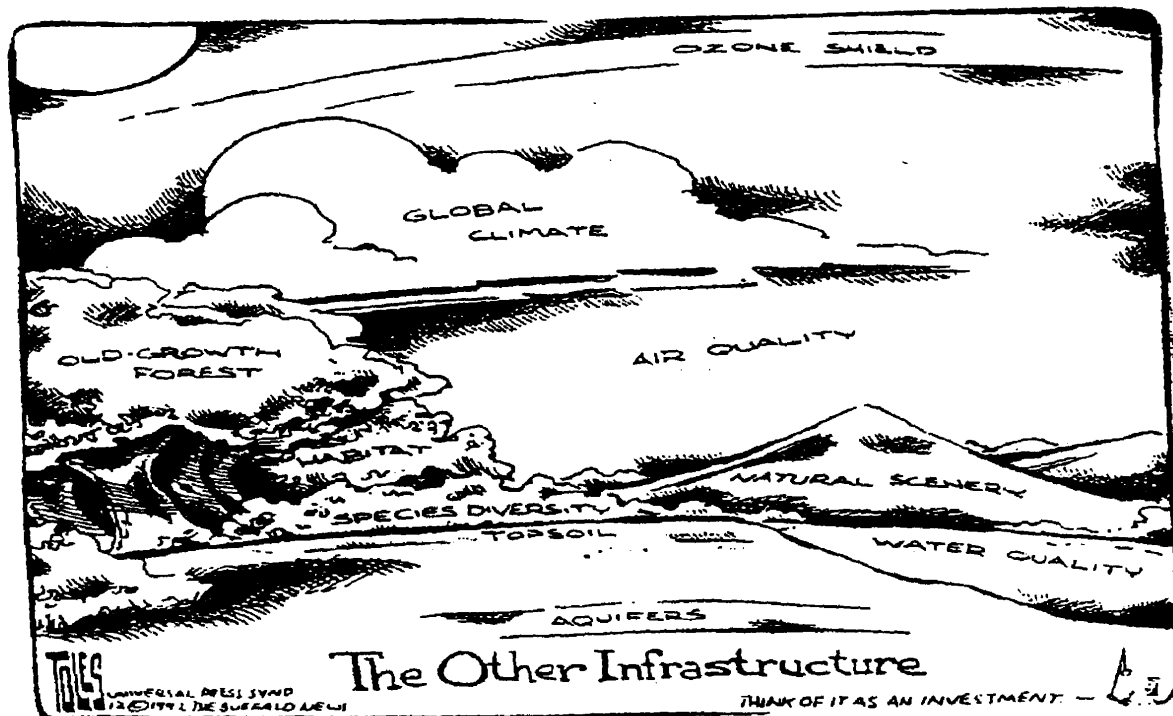
As the public demand for open space and recreation areas increases, the growing population and the concentration of population far from many of the state's public lands,

"Virginia must have a program that can identify and acquire critical natural historic and recreation sites."

*Randy Hutcheson,
Trustee,
Virginia Nature
Conservancy*

further stresses these resources. Virginia must now buy 8,000 acres of parkland to meet the public demand by the year 2000, according to the 1989 Virginia Outdoor Plan.

Through better planning, communities can identify their current open space and recreation needs for today and for future generations as well. Compact, efficient development patterns can also help to preserve rural landscapes, watersheds, farm and forest lands. The draft Virginia Growth Strategies Act sets in place a far more effective planning process but leaves the designation and implementation largely in the hands of local governments.



PROVIDING COST EFFECTIVE GOVERNMENT

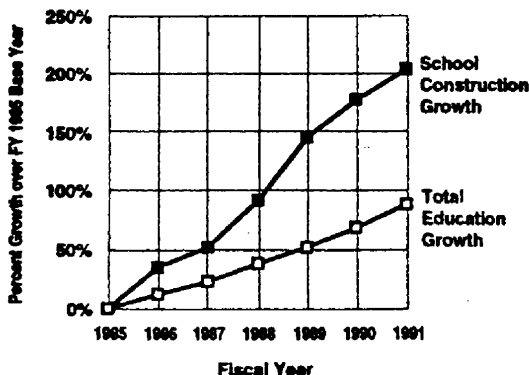
Capital projects, such as roads, schools, parks, water and sewer systems, constitute the infrastructure necessary for long-term growth. If we want to educate our children, ensure the health, welfare and safety of the public, promote continued economic development and sustain a high quality of life, we will need to make the public investment required to provide both services and infrastructure in a timely and cost effective manner.

Rapid growth in some areas of Virginia increases the demands for public capital to the breaking point. In other areas, the lack of growth has left local governments without the fiscal resources to address more than the minimum public needs. The following highlights many of the points made in the 1992 Final Report of the State Commission Studying Local and State Infrastructure Needs and Revenue Resources.

* High Costs in Growth Areas

Local officials and citizens in high growth areas are struggling to provide the additional public facilities needed to serve a rapidly expanding residential and commercial base. While the revenues generated by growth help pay normal operating costs for services, they do not cover fully the costs of capital facilities to serve new residents. For example:

GROWTH IN LOCAL SCHOOL CONSTRUCTION AND TOTAL EDUCATION EXPENDITURES



- ▶ New roads and arteries are needed to ease existing congestion and accommodate new growth. This accounts for 80 percent of infrastructure costs in high growth areas.
- ▶ Education demands the second largest public investment. An estimated \$1.4 billion will be required for new school facilities in Virginia's high growth areas in the next five years.

- ▶ Growth triggers major increases in other public needs. Since 1984, public spending on fire and rescue increased 638 percent; 506 percent for education; 464 percent for water supplies; 328 percent for stormwater management systems; and 290 percent for sewerage and sewage treatment.

When local governments are unable to plan, budget and build needed public facilities, long term costs become unmanageable. Development often outstrips both the ability of the citizenry to pay as well as the ability to plan for, or develop, the needed services. For example, residential development along new roadways spurs an increased demand for schools. Changes in zoning densities trigger the call for more water and sewer services. And the more development that takes place far from existing infrastructure, the higher the costs for these capital projects.

Coordinated planning among and between all levels of government - local, regional and state - can help make the most efficient use of tax dollars spent on infrastructure as well as help communities to provide the infrastructure needed to accommodate growth. The draft Virginia Growth Strategies Act establishes both a process and incentives for coordination at all levels.

* **The Growing Revenue Gap**

The recent recession and a continuing conservative economic forecast has increased the stress on local and state budgets, forcing governments to cut back on their investments in infrastructure.

According to the 1992 Final Report of the Commission Studying Local and State Infrastructure Needs and Revenue Resources, Virginia cities and counties are reporting large gaps, up to \$4.5 billion, between their need for infrastructure and their available resources.

Plans for capital projects through 1994 show a 50 percent gap in funding for roads, a 14 percent gap in money for education and a 6.6 percent gap in funding for sewer facilities.

"There is a sobering realization that growth, once coveted at any cost, exacts an extremely high price...We are left with local governments struggling to find ways to provide schools, roads, fire stations and other necessary infrastructure needed to serve new development."

*Rebecca L. Thomas,
Fiscal Impact Analyst,
Chesterfield County*

Communities can target spending better by planning for capital projects and by promoting more efficient patterns of development. For example, the Year 2020 Panel indicated that at least \$10 billion could be saved on road construction in Virginia if growth areas promoted higher density and compact development in specific areas.

*** Cities Face Special Revenue Problems**

The revenue problem is particularly acute in Virginia's central cities, according to the William H. Lucy report. The cities' heightened need for public services for low income residents makes it even harder to provide adequate services to all residents from the available revenue sources.

In 1990, spending for health, welfare and public safety in cities was 2.5 times higher per person than spending in adjacent suburbs.

State aid to cities for education also does not keep up with demand, particularly when compared to the share allotted to adjacent suburban governments. Cities receive a lesser share of their total spending on education from the state and the ratio of state aid to cities and suburbs did not change in the past decade, despite worsening poverty in the cities.

"We've needed to look at the whole issue of growth and development in Virginia. Nowhere does it come together as a coherent policy."

***Robert de Voursney,
Center for Public
Service***

A growth strategy for Virginia must target ways to bring new jobs, industry and investment to the central cities in order to broaden the tax and revenue base. Links must also be made between cities and suburbs, through transit and training, to increase opportunities for urban residents in growing exurban areas. The draft Virginia Growth Strategies Act provides a framework for examining both the problems and opportunities in a larger context that crosses both government agency and jurisdictional lines.

HOW PLANNING CAN HELP

The slower economy in Virginia demands that we work harder to ensure our economic and environmental health by planning for ways to provide development opportunities and use public capital more efficiently and effectively. Planning can provide a process for weighing the different needs of the various regions of the state and sectors of our economy. Planning also provides a vehicle for citizen participation in the decision making process at all levels of government.

* Compact Growth

One of the ways to develop better in the future is to encourage more compact patterns of land development. Compact development promotes efficient growth; filling in unused space in our cities and suburbs and targeting growth around existing settlements in our rural communities. Compact growth creates multipurpose and economically diverse development that places jobs, housing, schools and services within walking or easy commuting distance and preserves green space.

Compact development can also promote the efficient delivery of public services and cost-effective planning for spending at a lower net cost to the public. A federal study reports that planned communities demand 50 percent less in capital costs than more sprawling developments, in part by maximizing the investment already made in public infrastructure. High density clusters in community centers and low density clusters of single houses in rural areas also consume less land and require shorter roads and shorter pipes for water and sewer lines.

Infill development also helps to revitalize urban areas, enhancing economic opportunities and quality of life, strengthening property values and increasing the tax base.

"The popular myth of low density living is that it solves congestion, whereas the reality is that it increases the need to travel...the myth about high density is that it has to be crime-ridden and unpleasant."

*B. Fritts Golden,
CH2M Hill*

*** Making Government More Efficient and Accountable**

Planning for growth can help government provide services in the most efficient and economical manner. Regional service delivery helps keep costs down and is encouraged by some state incentives.

Services can be better integrated among state and local governments for improved quality at a lower cost.

Regional approaches to environmental issues, such as waste management, can lower costs by sharing expenses and lessen environmental impact by requiring fewer facilities.

"Our biggest danger...is not that we will take the wrong action, but that we will take no action, that we will remain paralyzed by conflicting goals, interest group views and the professional solutions confronting us."

*Metro Washington
COG Task Force,
1992 report*

*** Protecting Natural Resources**

Promoting new development around existing communities can help preserve open space and protect agricultural land and resource-based industries. Planning also allows communities to identify resources worth preserving, such as vistas, farmland, historic sites, and provides ways to accommodate growth without damaging important natural and historic resources.

*** Enhancing Economic Opportunities**

Planning for growth provides economic opportunities for all Virginians by focusing on redeveloping urban areas and preserving resource-based industries in rural areas.

Mixed use communities, encouraged by subdivision and land use regulations, are more balanced than communities segregated by a single set of inflexible rules, such as large lot residential zoning, that can be inappropriate and expensive.

The Virginia Growth Strategies Act provides a process and incentives for state and local governments to consider ways to increase economic opportunities, preserve important natural and historic resources and spend tax revenues wisely by planning for growth. However, it will take the participation and commitment of the Governor, legislators, special interest groups and ordinary citizens to ensure the successful implementation of the Act.





AN ACTION AGENDA FOR 1994

The Commission on Population Growth and Development believes that Virginia must develop a positive program to meet the changes the future will bring to our state. In 1993, the Commission seeks a wide ranging public discussion of the proposed initiatives needed to enact a growth strategy that will benefit the Commonwealth.

The Commission plans to hold public work sessions throughout the year on the draft "Virginia Growth Strategies Act" to attempt to develop a statewide consensus on a final version that could be introduced at the 1994 General Assembly session. The complete working draft of the Act is appended to this annual report. Your comments are welcome.

I. Key Elements of the Growth Strategies Act

The Virginia Growth Strategies Act seeks to establish state, regional and local planning processes that promote:

- * **Economic Development**
- * **Protection of Important Resources**
- * **Cost Effective Government**
- * **Orderly Growth throughout Virginia**

To achieve these planning goals, the Growth Strategies Act:

- * Requires the Governor to prepare and implement a Virginia Growth Strategies Plan.
- * Establishes a Virginia Strategic Planning Advisory Commission to represent various interests and regions across the state and to assist and advise the Governor.
- * Establishes a Division of Planning, in the state Department of Planning and Budget, as the staff agency for the implementation of the plan.
- * Directs the Division of Planning to review the state budget, as well as requests for funding of major state projects, to ensure consistency with the Virginia Growth Strategies Plan.

- * Requires the development and maintenance of a comprehensive data network.
- * Offers incentives for local governments to develop comprehensive plans that are consistent with the state planning goals, that study the anticipated rate, timing and location of development and that make provisions for the corresponding capital improvements.
- * Requires every county, city and town with a population over 3,500 to submit its comprehensive plan to the state for review.
- * Establishes a "recognition" or certification process for local comprehensive plans. However, local implementation is incentive based.
- * Establishes an Infrastructure and Planning Assistance Fund to support efforts by local governments to implement the Virginia Growth Strategies Act and to provide some services through regional cooperation.
- * Directs local governments to inform neighboring jurisdictions about the contents of their comprehensive plans in order to achieve better coordination and recognition of mutual problems and benefits.
- * Gives the regional Planning District Commissions a defined role in helping local governments coordinate efforts.
- * Increases citizen participation and oversight on the workings of government at both the state and local levels.

See the Appendix for the draft Virginia Growth Strategies Act.

II. Funding Implementation of the Growth Strategies Act

The Commission also seeks public comment on ways to fund the requirements and benefits outlined in the Virginia Growth Strategies Act. The Commission believes that the Growth Strategies Act must receive strong financial support from the General Assembly.

The Commission is just beginning to investigate funding alternatives best suited to implementing the Act. Four potential options are attached to the Annual Report for review and comment.

The following are short summaries of those options:

- * Local options sales tax. Would allow localities to impose a local options sales tax if they have a "recognized" plan. Imposes a maximum increase of 1 cent. Monies would need to be dedicated to infrastructure needs.

Statewide this tax would generate \$488 million a year.

- * Gas tax. Would increase the motor fuel tax over a nine year period to a maximum of 22 and one-half cents. A portion of the funds would be deposited in the Infrastructure and Planning Assistance fund (created under the Act) and the remainder would be deposited in a Transportation Fund.

Statewide this tax would generate \$35 million a year for every cent. A five cent increase would generate \$175 million a year.

- * Sales tax on other motor fuels. In certain jurisdictions a sales tax would also be proposed.

Statewide a 2 cent increase would generate \$66 million per year.

- * State sales and use tax. Would increase the state sales and use tax by one-half of one percent from three and one-half to four. Funds would be deposited in the Infrastructure and Planning Assistance Fund.

Statewide this tax would generate \$244 million a year.

See the Appendix for drafts of the four tax bills.



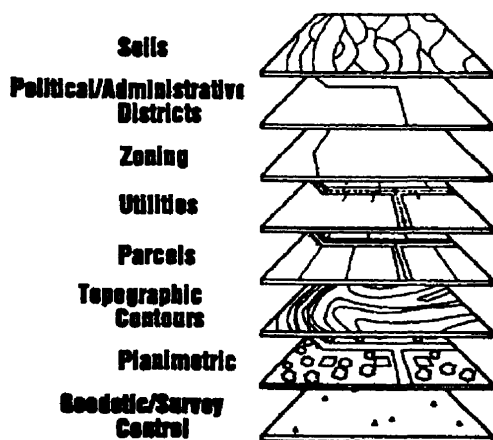
OTHER COMMISSION ACTIVITIES IN 1992

Comprehensive Data Project

The Commission on Population Growth and Development believes that better information is critically needed at the state and local level in order to aid effective decision making on growth and development issues.

In 1992, the General Assembly allocated \$150,000 for the Commission to study the creation of a comprehensive data network in Virginia. The Commission's data project expands a 1990 study by the State Council on Information Management and will include plans and strategies for the statewide coordination of data.

Data Base Layering Concept



● **What are GIS Systems?**

Comprehensive data systems rely primarily on geographic information systems (GIS) to collect and manage information. GIS is well-suited to issues involving zoning and property ownership, economic development, natural and historic resource protection, transportation planning, demographics and public safety.

The greatest power of GIS lies in its application to long-range planning by testing "what-if" scenarios. GIS helps support public policy decision-making by illustrating, through a clear geographical presentation, the ways that complex conditions interact.

● **Surveying Current Use of GIS in Virginia**

In August, 1992, the Commission contracted with the Virginia Tech Center for Survey Research to identify the information and application needs of decision-makers across the state. Managers of the 21 Planning District Commissions and 164 of the 165 local governments in Virginia were interviewed during the survey.

The survey pinpointed two areas: (1) the extent of mapping and GIS applications in general; and (2) the use of these information systems in making decisions that involve urban and rural planning, management and administration, natural and historic resources, and health and public safety.

Almost 90 percent of the planning district commissions and local government managers responded that a statewide GIS system would be "somewhat or very helpful." But they reported that start-up costs and general funding remain major barriers. They also cited problems with data compatibility and staff training as the biggest limitations to current GIS use.

- **Assessing GIS on the State Level**

The Commission's Comprehensive Data Project is in the first stage of identifying the steps required to develop a statewide data network. The study includes examination of the use of GIS by the federal government, other states, and the private sector.

Particular attention is being focused on what types of GIS systems are the most functional and on costs associated with start-up and operation of data collection systems. The Commission is also seeking to quantify the economic benefits that can be derived from a statewide data system.

- **Investing in Information**

Dr. Charles W. Steger, Dean of the College of Architecture and Applied Sciences at Virginia Polytechnic Institute and State University, chairs the Commission's Comprehensive Data Project. He made these comments on the value of a statewide data system:

"If we are going to prosper, we must have the proper infrastructure. That includes the necessary data for informed decision-making.

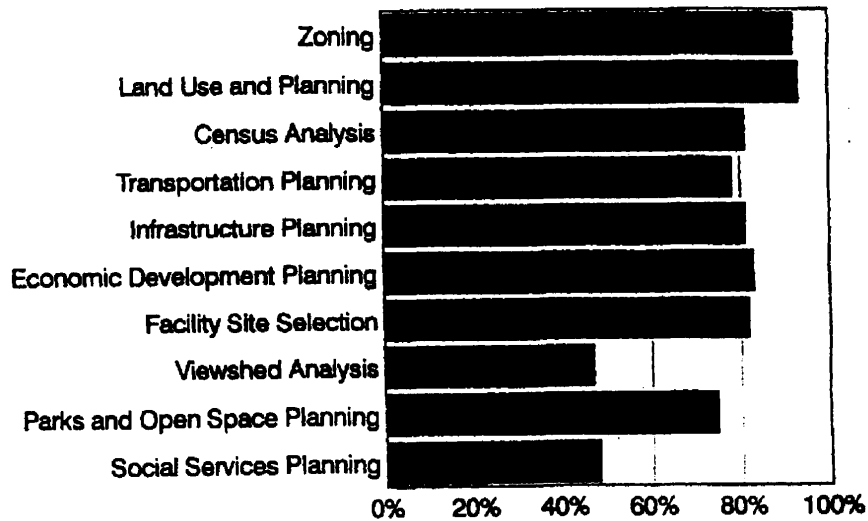
The concepts of economic efficiency, environmental protection and equity of access have a physical reality as the policies associated with these matters are implemented. A statewide GIS system can assist us in getting a handle on these concepts.

Here's an example. Let's say that with better information, we make a decision that achieves margins of three or four percent in improved efficiency in our transportation system. The savings in human capital and natural resources would be enormous."

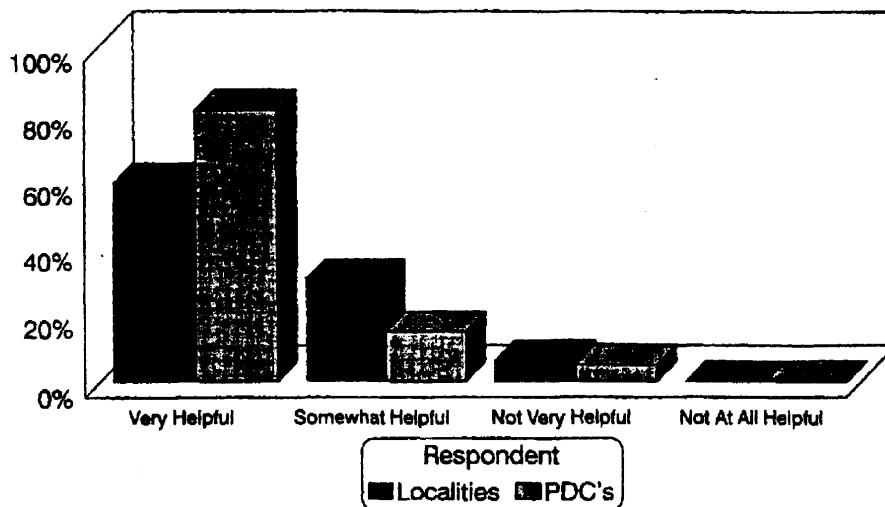
- **Project Components**

The Growth Commission will complete its data report to the General Assembly in June, 1993.

Percent of Localities Using Maps for Urban and Rural Planning Applications



Helpfulness of a Statewide GIS: Percent of Localities and PDC's Reporting



Meeting Dates of the Commission in 1992

January 20	Executive Committee
February 12	Technical Advisory Committee Steering Committee
February 14	Executive Committee
March 5	Technical Advisory Committee
March 15	Executive Committee
April 9	Technical Advisory Committee
April 29	Executive Committee
April 30 - May 1	Full Commission
May 17 - 18	Drafting Committee
June 11	Commission Mobile Workshop
June 18 - 19	Full Commission
August 20	Executive Committee
October 1 - 2	Full Commission
October 15	Drafting Committee
October 26	Advisory Council (GIS)
November 16	Full Commission
December 15	Commission GIS Task Force

For further information, or to submit comments, please contact:

Katherine L. Imhoff, Executive Director
Commission on Population Growth & Development
General Assembly Building, Room 519B
910 Capitol Street
Richmond, VA 23219
804/371-4949
804/371-2753 FAX

APPENDIX

Virginia Growth Strategies Act

Four tax proposals for the Infrastructure and Planning Assistance Fund

Fourteen Findings

Membership List

References

WORKING DRAFT #4

VIRGINIA GROWTH STRATEGIES

DISCUSSION DOCUMENT

WORKING DRAFT #4
VIRGINIA GROWTH STRATEGIES LEGISLATION
SUMMARY

The draft Virginia Growth Strategies Legislation establishes a process to improve planning in Virginia. It designates the Governor as the chief planning officer of the Commonwealth and establishes a process for the development of a growth strategies plan. The Legislation encourages improved planning and coordination among state agencies and strengthens the relationship between state and local governments. In concert with an advisory commission, the Governor will ensure that Virginia grows in an efficient and cost-effective manner.

The following summarizes the draft legislation by summarizing the code sections. The code sections cited include both amended and new sections.

CODE SECTIONS

PROVISIONS

Virginia Growth Strategies Act

Legislative Intent

§2.1 - 51.6:4

§2.1 - 51.6:5

Establishes the legislative intent for a planning process that promotes economic development, resource protection, orderly development, and efficient expenditure of public funds.

Definitions

§2.1 - 51.6:6

Defines key terms.

Planning Goals

§2.1 - 51.6:7

Establishes sixteen planning goals for the Commonwealth that address: economic development, orderly growth, resource protection and use, affordable housing, planning coordination, and incentives among others.

Draft #4

February 2, 1993

Virginia Growth Strategies Plan

§2.1 - 51.6:8

Requires that the Governor prepare and implement a Virginia Growth Strategies Plan in order to achieve the goals and promote consistency in planning efforts between and within the various levels of government.

Description of the Plan

§2.1 - 51.6:9

The elements that the Plan must contain include: various analyses of economic, infrastructure and demographic trends; description of state programs; goals for state agencies; and a process for interagency coordination and dispute resolution.

Plan Development Process

§2.1 - 51.6:10

Establishes a process for developing the Virginia Growth Strategies Plan including development of strategic plans by agencies designated by the Governor, in conjunction with the Commission. Procedure for developing the Plan includes establishing guidelines for state agency submissions and a period for public review and comment. Guidelines would also be presented to the General Assembly for confirmation. A draft of the Plan is to be prepared for public review and comment prior to final approval by the governor.

Local Government Information

§2.1 - 51.6:11

Requires submittal by January 1, 1995 of major infrastructure information and demographic land use changes. Allows for regional coordination of information.

Recognition of Local Plans

§2.1 - 51.6:12

Requires every county and city and every town with a population exceeding 3,500 to submit its local comprehensive plan for review to determine whether it implements the state planning goals, Virginia Growth Strategies Plan and adopted guidelines. Defines the term "recognition." Requires written notification to localities by the Governor.

Benefits for Recognition

§2.1 - 51.6:13

Establishes an Infrastructure and Planning Assistance Fund for: initial planning, technical and capital improvement assistance. Some monies to be earmarked for regional approaches to infrastructure needs. Eligibility for such funds depends on a finding of recognition. Requires state agencies to comply with recognized local comprehensive plans unless a finding of overriding public interest is made by the Governor.

**Virginia Strategic Planning
Advisory Commission**

§2.1 - 51.6:14

Creates The Virginia Strategic Planning Advisory Commission to be composed of seventeen members, (six of whom are legislators with one member from the House Appropriations Committee and one from the Senate Finance Committee). Citizen members to include local government officials and diverse interest of the Commonwealth, such as agriculture, forestry, business, community development, environmental protection, finance and real estate.

Commission Duties

§2.1 - 51.6:15

Twelve duties are listed including review of local plans.

**Duties of Division
of Planning**

§2.1 - 51.6:16

Seventeen duties are listed including: assisting the Governor, providing staff support for the Commission, preparing procedures for the recognition of local plans, collecting and maintaining comprehensive data, and administering the Virginia Area Development Act (Planning District Commissions).

**Boundaries of Planning
District Commissions**

§2.1 - 51.6:17

Process for boundary adjustment. (Existing code language).

Planning and Budget

Chief Planning Officer

§2.1-387

Designates the Governor as the Chief Planning Officer of the Commonwealth and directs the Governor to develop the Plan and certify that the budget is in conformance with the Plan.

**Department of Planning
and Budget, Division of
Planning**

§2.1-388

Establishes within the Department of Planning a Division of Planning.

§2.1 - 394

Requires certification of major state projects for consistency with the Plan.

Draft #4

February 2, 1993

§2.1 - 398

Submission of budget to General Assembly required to reference implementation of Virginia Growth Strategies Plan.

§2.1 - 399

Budget bill to include the Plan.

§2.1 - 399.1

Capital projects to be consistent with and implement the Plan.

Title 9 Commission

§9-6.25:1

Adds the Virginia Strategic Planning Advisory Commission to list of state commissions.

Amendments to Title 15.1

Declaration of Intent

§15.1 - 427

Establishes as one of the intents of the local planning authority section of the Code of Virginia implementation of the state planning goals.

Process of Submittal

§15.1 - 427.01

Establishes a process for submission of local planning, zoning and subdivision ordinances and documents to the Virginia State Library.

Plan Consistency

§15.1 - 446.1

Requires that local comprehensive plans implement the state planning goals.

Surveys to be made in preparation of the local plan

§15.1 - 447

Local planning commissions to study the relationship of the local comprehensive plan to the anticipated rate, timing and location of future development.

Sharing of Plans §15.1 - 453.1	Local governments shall share their plans with neighboring jurisdictions for review and comment prior to final adoption.
Capital Improvements Plan §15.1 - 464	Requires the preparation of a capital improvements plan by counties, cities and towns (towns with populations exceeding 3,500).
Subdivision Ordinance Consistency §15.1 - 465	Requires that subdivision ordinances implement the local comprehensive plan.
Zoning Ordinances §15.1 - 486	Requires that by July 1, 1999, all local governments have a zoning ordinance.
Purpose of Zoning §15.1 - 489	Renumbers section.
Zoning Consistency §15.1 - 490	Requires that zoning ordinances implement the state planning goals and the local comprehensive plan.

**Changes to the Virginia Area Development Act
(Planning District Commissions)**

Code Section

Provisions

Transfer of Administration
§15.1 - 1402

Transfers administration of the Area Development Act from the Department of Housing and Community Development to the Department of Planning and Budget, Division of Planning.

PDC Membership
§15.1 - 1403

Requires every county and city and every town with a population greater than 3,500 to be a member of at least one planning district commission. Requires the chief elected official and chief administrative officer to be members of the PDC.

Draft #4

February 2, 1993

Duties of PDCs
§15.1 - 1405.1

Establishes additional duties for planning district commissions including assisting in the implementation of the state goals and collecting data.

District Plans
§15.1 - 1406

Requires that the regional plan be in accordance with the state goals.

State Planning Library
§42.1 - 1

Establishes responsibility for a state planning library within the Virginia State Library and Archives system.

1 02/01/93

2

3

4

Chapter 5.01.

5

VIRGINIA GROWTH STRATEGIES ACT.

6

Article 1.

7

General Provisions.

8

9 § 2.1-51.6:4. Short title.--This chapter shall be known and may
10 be cited as the "Virginia Growth Strategies Act".

11 § 2.1-51.6:5. Declaration of legislative intent.--It is the
12 intent of the General Assembly to develop a coordinated planning
13 process at the state, regional and local levels of government to
14 promote the economic welfare of the Commonwealth and to appropriately
15 use and conserve its environmental and physical assets. The
16 administrative process provided for in this chapter shall: (i)
17 encourage orderly growth and development to make effective use of
18 public investment in the infrastructure of the Commonwealth and its
19 political subdivisions; (ii) establish a strategy for providing
20 opportunities and incentives for affordable housing in safe and
21 liveable communities; (iii) ensure that the citizens of the
22 Commonwealth have clean air, pure water, the use and enjoyment of open
23 space and natural, cultural and historic resources; and (iv) promote
24 economic growth in order to provide employment and other benefits that
25 flow from a strong economy.

26 It is further the intent of the General Assembly that this
27 administrative process shall require coordination among all levels of
28 government, state, regional and local, to ensure that growth and

1 development are planned and executed in a manner that is based on an
2 available and adequate infrastructure and in order to conserve
3 natural, cultural and historic resources for future generations. It
4 is the intent of the General Assembly that this administrative process
5 will include participation by the citizens of the Commonwealth.

6 § 2.1-51.6:6. Definitions.--As used in this chapter, the words
7 and terms listed below shall mean:

8 "Affordable housing" means a sanitary and safe dwelling that is
9 available for prices or rentals to persons and families of low and
10 moderate income (as provided for in § 36-55.24 et seq.) for less than
11 one-third of their gross monthly income.

12 "Commission" means the Virginia Strategic Planning Advisory
13 Commission.

14 "Department" means the Department of Planning and Budget.

15 "Goals" means the planning goals set forth in § 2.1-51.6:7.

16 "Governmental subdivision" means the counties, cities and towns
17 of this Commonwealth.

18 "Infrastructure" means the basic facilities needed for the growth
19 and functioning of the state or a community in the state, including
20 but not limited to storm water, water, sewage and solid waste
21 disposal, utilities, communications, transportation facilities,
22 schools, parks and public safety.

23 "Major state project" means the acquisition of land for any state
24 facility (facility includes highways, as defined in Title 46.2,
25 constructed by the state and Arlington and Henrico Counties) the
26 construction of any facility or expansion of an existing facility
27 which is hereafter undertaken by any state agency, board, commission,
28 authority or any branch of state government, including state-supported

1 institutions of higher learning, which requires an environmental
2 impact report. For the purposes of this chapter, authority shall not
3 include any industrial development authority created pursuant to the
4 provisions of Chapter 33 (§ 15.1-1373 et seq.) of Title 15.1 or
5 Chapter 643, as amended, of the 1964 Acts of Assembly. Nor shall
6 authority include any housing development or redevelopment authority
7 established pursuant to state law. For the purposes of this chapter,
8 "branch of state government" shall not include any county, city or
9 town of the Commonwealth.

10 "Major state infrastructure" means infrastructure of entities
11 mentioned in "major state project" above having a capital cost of
12 \$500,000 or more.

13 Major local infrastructure" means infrastructure of all other
14 entities not mentioned in "major state project" above, but including
15 Arlington and Henrico Counties, having a capital cost of xxxxxxx or
16 more.

17 NOTE: At its January 14, 1993 meeting the Commission noted the
18 need to solicit comments from state agencies and local
19 governments to determine an appropriate monetary threshold for
20 "major state infrastructure" and "major local infrastructure".

21 "Plan" means the Virginia Growth Strategies Plan.

22 "Political subdivisions" means the governmental subdivisions as
23 defined in this section, sanitary, sanitation and transportation
24 districts, authorities and other such public bodies created under the
25 laws of this Commonwealth.

26 "Public review" means a period of time in which written comments,
27 or other requirements as established by the Governor, shall be
28 submitted. Unless otherwise indicated, public review in the context
29 of this chapter shall not refer to the public hearing requirements in

1 § 9-6.14:7.1.

2 NOTE: At its January 14, 1993 meeting the Commission noted the
3 need to more clearly define the public participation process for
4 the various parts of the draft legislation. Comments are sought
5 as to the most effective and useful public participation
6 procedures. Public review is mentioned frequently throughout the
7 draft legislation.

8 § 2.1-51.6:7. Planning goals.--The planning goals of this
9 chapter are to:

10 1. Encourage growth that promotes economic opportunity and
11 improves the quality of life for all citizens of the Commonwealth; and
12 is consistent with the Virginia Growth Strategies Plan to be adopted
13 by the Commonwealth;

14 2. Ensure that the infrastructure necessary to support
15 development and redevelopment is adequate and provided in an orderly,
16 predictable and fiscally responsible manner;

17 3. Provide a framework for the development of affordable housing
18 that is sanitary and safe in all areas of the Commonwealth;

19 4. Enhance the economic development of rural areas by
20 maintaining and conserving natural resource-based industries,
21 including prime and important agricultural and forestal lands and
22 fisheries industries;

23 5. Protect the environment and the quality of the Commonwealth's
24 land, water and air resources;

25 6. Conserve and protect valuable open space, scenic and natural
26 areas, and unique, endangered, threatened and valuable plant and
27 animal species and their habitats;

28 7. Protect and enhance the Commonwealth's natural, cultural and
29 historic resources as a valuable component of its heritage and its
30 tourist economy;

1 8. Encourage, in appropriate areas, compact and efficient
2 patterns of development that minimize consumption of land, protect
3 natural resources, enhance mobility of people and goods, promote
4 efficient expenditure of public funds, and reduce resource and energy
5 consumption;

6 9. Provide incentives for the economic development and
7 redevelopment of urban areas;

8 10. Ensure that water is available to serve well-planned growth
9 and that non-human consumptive uses of water are considered and
10 protected;

11 11. Protect both public and private property interests as
12 established by law;

13 12. Promote a program of incentives for local and regional
14 projects designed to implement these goals;

15 13. Streamline regulatory requirements as an integral part of
16 governmental management of development;

17 14. Promote coordination and consistency among the plans and
18 actions of state agencies;

19 15. Promote coordination and consistency among the plans and
20 actions of local governments within the regions of the Commonwealth;
21 and

22 16. Promote coordination and consistency among the plans and
23 actions of state government and the plans and actions of local
24 governments.

25 NOTE: The Commission seeks comments on how to better define
26 various terms used in the sixteen state goals. The Commission
27 also discussed, but has not amended, the goals. Some combination
28 of goals was suggested. It is the intention of the Commission to
29 establish a process where these goals are operationalized by the
30 adoption of guidelines. At their meeting on January 14, 1993 the
31 Commission also agreed to amending the draft to include a process

1 by which the guidelines, developed by the Division of Planning
2 and the Virginia Strategic Planning Advisory Commission and after
3 public review, would be reviewed by the General Assembly. The
4 guidelines would be deemed approved unless the General Assembly
5 took action. See § 2.1-51.6:10.

6 § 2.1-51.6:8. Virginia Growth Strategies Plan.--In order to
7 implement the legislative intent and goals of this chapter, the
8 Governor shall prepare and implement a growth strategies plan for the
9 Commonwealth after consultation with the Virginia Strategic Planning
10 Advisory Commission, created pursuant to § 2.1-51.6:14. The plan
11 shall be known as the Virginia Growth Strategies Plan. The
12 Commonwealth, its agencies and its political subdivisions shall adhere
13 to the Plan to achieve the goals of the Commonwealth and to ensure
14 consistency among and between state agencies and the political
15 subdivisions of the Commonwealth.

16 § 2.1-51.6:9. Description of the Plan.--The Plan shall:

17 1. Contain a comprehensive survey and study at state, regional
18 and local levels of government of existing conditions and trends
19 affecting achievement of the goals, including, but not limited to,
20 demographics, infrastructure, land use, affordable housing, air and
21 water quality, natural, cultural and historic resources, resource
22 based industries, open space, unique, threatened and valuable plant
23 and animal species and their habitats, economic growth, employment,
24 mobility and resource consumption;

25 2. Contain an assessment of the long-term needs and costs of (i)
26 proposed infrastructure and improvements to existing infrastructure,
27 (ii) capital improvements of the Commonwealth and its constituent
28 agencies and institutions, and (iii) a program for providing the above
29 items. Such an assessment shall include an inventory of the existing
30 infrastructure and capital improvements;

1 3. Contain a description of all state programs that contribute
2 to the achievement of the goals;

3 4. Set forth how state agencies and their programs will achieve
4 the goals in four- and twenty-year periods;

5 5. Establish a process for achieving interagency coordination of
6 programs to assure the collective achievement of the goals in the most
7 efficient and cost effective manner; and

8 6. Describe a process of dispute resolution among levels of
9 government.

10 § 2.1-51.6:10. Procedure for developing the Plan.--A. The
11 Governor, in conjunction with the Commission, shall designate the
12 agencies required to participate in formulation of the Plan and
13 develop guidelines to assist agencies in carrying out their
14 responsibilities for development of the Plan. These guidelines shall
15 be prepared by December 20, 1994 and be subject to public review.
16 Guidelines shall provide criteria for program description to achieve
17 the goals, standards for state agencies to follow, and additional
18 programs or modifications to existing programs. Prior to use by state
19 agencies and localities for implementation of the act, the guidelines
20 mentioned herein shall be confirmed by the General Assembly.
21 Guidelines will be presented to the General Assembly for review and
22 comment during session and shall be deemed confirmed unless the
23 General Assembly acts otherwise.

24 B. The designated agencies will submit their plans to the
25 Department of Planning and Budget in accordance with such guidelines
26 on or before July 1, 1995.

27 C. The Virginia Strategic Planning Advisory Commission, in
28 conjunction with the Department of Planning and Budget, shall review

1 and comment on each agency plan. The Commission shall meet with state
2 agencies as needed.

3 D. The Governor, with advice and guidance of the Commission,
4 shall prepare the Virginia Growth Strategies Plan. A draft of the
5 Plan shall be available on or before July 1, 1996 for public review
6 and comment.

7 E. The Governor shall finalize and approve the Plan by December
8 20, 1996.

9 F. Thereafter, the Governor shall submit the Plan to the General
10 Assembly with the budget bill and report on its implementation.

11 G. The Plan shall be reviewed by the Governor by December 20,
12 1999, and every four years thereafter, and amended as necessary to
13 achieve the goals. The Commission shall review and comment on
14 amendments proposed to the Plan. Proposed amendments shall be made
15 available for public review and comment prior to incorporation in the
16 Plan.

17 NOTE: All the above noted dates are provided for discussion
18 purposes only in this draft. Dates should be amended and tied to
19 a time after confirmation of the Guidelines by the General
20 Assembly. The Commission does seek comment on whether the time
21 periods envisioned are attainable.

22 § 2.1-51.6:11. Local government information.--Every county and
23 city and every town with a population of 3,500 or more shall submit,
24 to the extent available, to the Department of Planning and Budget and
25 the Virginia Strategic Planning Advisory Commission, on or before
26 January 1, 1995, the following:

27 A. An examination of demographic changes accompanied by current
28 and projected changes in land use for a four- and twenty-year planning
29 period; and

30 B. An inventory of current and proposed infrastructure for a

1 four- and twenty-year planning period.

2 C. Such local governments may provide the information required
3 by A and B above independently or in coordination with adjoining
4 jurisdictions or jurisdictions within their planning district.
5 Priority planning assistance funding will be made available for such
6 regional approaches in accordance with § 2.1-51.6:13.

7 NOTE: The Commission seeks comments regarding whether 3,500 is
8 an appropriate threshold for towns to participate in the process

9 § 2.1-51.6:12. Recognition of local comprehensive plans.--1.
10 Every county and city and every town with a population of 3,500 or
11 more shall submit its local comprehensive plan to the Department of
12 Planning and Budget, Division of Planning, for the purpose of
13 determining whether the local comprehensive plan implements the
14 Virginia Growth Strategies plan in § 2.1-51.6:8, the goals in §
15 2.1-51.6:7, and any guidelines adopted by the Virginia Strategic
16 Planning Advisory Commission, the Division of Planning and local
17 governments pursuant to § 2.1-51.6:16(3).

18 2. The Department of Planning and Budget, Division of Planning,
19 shall establish a schedule, in consultation with local governments and
20 giving due consideration to reviewing plans of localities in the same
21 region, for orderly submission of local comprehensive plans from the
22 effective date of the guidelines in § 2.1-51.6:16(3) and shall notify
23 local governments of the month and day their plans are due. The
24 process of submittal shall conclude by [DATE NEEDED]. The Department
25 of Planning and Budget, Division of Planning, shall establish an order
26 of submission which gives priority to plans of local governments whose
27 rate of growth between 1980 and 1990, according to the most recent
28 census data, exceeded 16%.

1 3. Every county and city and every town with a population of
2 3,500 or more may send to the Department of Planning and Budget,
3 Division of Planning, a draft of its comprehensive plan at least sixty
4 days prior to final adoption of its local comprehensive plan for
5 pre-adoption comment. State agencies, including the Division of
6 Planning, shall provide comments to the county, city, or town on the
7 proposed comprehensive plan within forty-five days of receipt of the
8 local comprehensive plan.

9 4. The Department of Planning and Budget, Division of Planning,
10 shall review all local comprehensive plans submitted pursuant to §
11 2.1-51.6:12(1) for the purposes set forth in such section.

12 5. If the Department of Planning and Budget, Division of
13 Planning, determines that a local comprehensive plan implements the
14 Virginia Growth Strategies Plan in § 2.1-51.6:8, the goals of §
15 2.1-51.6:7, and any guidelines adopted by the Virginia Strategic
16 Planning Advisory Commission, the Division of Planning and local
17 governments pursuant to § 2.1-51.6:16(3) it shall recommend to the
18 Governor that such local comprehensive plan be recognized. If the
19 Division of Planning finds that the local comprehensive plan does not
20 meet the above, it shall recommend that the local comprehensive plan
21 not be recognized. The Governor, as chief planning officer, shall
22 make the final finding of recognition or non-recognition by written
23 notice to the local government within sixty days of receiving the
24 recommendation. If the Governor fails to act upon the recommendation
25 within such period, the local comprehensive plan will be presumed to
26 have been recognized.

27 6. Any local comprehensive plan which is determined not to
28 fulfill the requirements for recognition as established in the

1 previous sections will be returned to the county, city, or town with
2 specific analysis as to its deficiencies and recommended changes
3 necessary to achieve recognition.

4 7. Any county, city, or town whose local comprehensive plan has
5 failed to be recognized may submit a revised local comprehensive plan
6 for review as provided for in this chapter pursuant to §
7 2.1-51.6:12(1).

8 8. For recognized plans, the provisions of this section shall
9 apply to any major amendment or permanent change to the local
10 comprehensive plan that is adopted by the county, city, or town and
11 shall be submitted to the Department of Planning and Budget, Division
12 of Planning, in the same manner as the initial local comprehensive
13 plan was submitted for review.

14 NOTE: The Commission is interested in guidance from local
15 governments as to an appropriate definition of "major amendment
16 or permanent change" in 8, above.

17 EDITOR'S NOTE FOR § 2.1-51.6:13:

18 The creation of the Infrastructure and Planning Assistance Fund,
19 and any other additional taxes or taxing authority, is still under
20 discussion and review by the Growth Commission and its appearance in
21 this draft should not be taken to represent support of the concept at
22 this time.

23

24 § 2.1-51.6:13. Benefits of recognition.--The Infrastructure and
25 Planning Assistance Fund established pursuant to Title (TO BE ADDED)
26 shall be used to provide the financial benefits of recognition as set
27 forth in this section.

28 A. Planning Assistance. 1. The Department of Planning and
29 Budget, Division of Planning, shall establish a program of planning
30 assistance and incentives to encourage and facilitate the adoption and
31 implementation of local comprehensive plans that implement the

1 Virginia Growth Strategies Plan in § 2.1-51.6:8, the goals of §
2 2.1-51.6:7, and any guidelines adopted by the Virginia Strategic
3 Planning Advisory Commission, the Division of Planning, and local
4 governments pursuant to § 2.1-51.6:16(3).

5 2. The Department of Planning and Budget, Division of Planning,
6 shall develop and administer a grant program to provide direct
7 financial assistance to local governments and planning district
8 commissions for the preparation of local comprehensive plans that
9 qualify for recognition as set forth in this chapter. The Division of
10 Planning, as part of this process, shall develop, in conjunction with
11 the Commission, guidelines for monies to be distributed to individual
12 localities and planning district commissions.

13 NOTE: The Commission intends that guidelines be developed with
14 the assistance of local governments and be reviewed by the
15 legislature. It has been suggested that funding guidelines
16 should take into account the fiscal capacity of localities and
17 the quality and scope of existing plans and ordinances as well as
18 other factors.

19 B. Technical Assistance. - The Department of Planning and
20 Budget, Division of Planning, and the Commission shall also establish
21 a program of technical assistance which may include, but not be
22 limited to, the development of model ordinances, regional education
23 and training programs, enhancement of citizen participation and
24 information for local and regional natural and man-made resource
25 inventories.

26 C. Capital Improvements Assistance. 1. The Department of
27 Planning and Budget, Division of Planning, and the Commission shall
28 develop an infrastructure matching grant program for education
29 facilities, transportation and transit, waste disposal, water and
30 sewer facilities and open space and land acquisition for public

1 purposes. Eligibility requirements must include recognition of local
2 comprehensive plans prior to application for any matching grant funds.

3 2. The Division of Planning and the Commission shall also
4 develop a regional infrastructure grant fund and a higher priority
5 will be established for funding of regional approaches to
6 infrastructure needs, cited in C1 above, than to local approaches.

7 D. State agencies shall comply with the recognized local
8 comprehensive plans and development controls and amendments thereto
9 adopted pursuant to this chapter unless the Governor certifies an
10 overriding reason for public interest. The decision of the Governor
11 may not be appealed.

12 E. Local governments whose comprehensive plans have not been
13 recognized shall not be eligible for the planning, technical and
14 infrastructure funds as provided for in this section with the
15 exception of initial local planning assistance funding for local
16 governments who pursue the requirements of § 2.1-51.6:12(1), (2), and
17 (3).

18 NOTE: The Growth Commission will continue to examine
19 discretionary funding that is currently provided by the state and
20 discuss weighting distribution of those funds in the future,
21 after implementation of this legislation, towards localities with
22 recognized plans.

23 § 2.1-51.6:14. Virginia Strategic Planning Advisory
24 Commission.--A. There is hereby created the Virginia Strategic
25 Planning Advisory Commission, hereinafter referred to as the
26 Commission. The Commission shall be composed of seventeen members:
27 three members from the House of Delegates, one of whom shall be a
28 member of the House Appropriations Committee, to be appointed by the
29 Speaker of the House; three members from the Senate, one of whom shall
30 be a member of the Senate Finance Committee, to be appointed by the

1 Senate Committee on Privileges and Elections; and eleven citizen
2 members to be appointed by the Governor. The citizen members shall
3 include local government officials and individuals reflecting the
4 different regions and diverse interests of the Commonwealth such as
5 agriculture, forestry, business, community development, environmental
6 protection, finance, and real estate.

7 B. Of the citizen members first appointed, three shall be
8 appointed for terms of two years, three shall be appointed for terms
9 of four years and three shall be appointed for terms of six years.
10 Thereafter, all citizen members shall be appointed for terms of six
11 years each, except that appointments to fill vacancies shall be made
12 for the unexpired terms. Legislative members shall serve coincident
13 with their terms of office. No person shall be eligible to serve more
14 than two successive six-year terms; but after the expiration of a term
15 of two years or less, or after the expiration of the remainder of a
16 term to which appointed to fill a vacancy, two additional six-year
17 terms may be served by such a member.

18 C. The Commission shall meet at least four times a year or at
19 the request of the Governor. The first meeting of the Commission
20 shall be held no later than July 31, 1994, at which time the
21 Commission shall elect a chairman and vice chairman from its
22 membership to serve for two-year terms.

23 § 2.1-51.6:15. Duties of the Virginia Strategic Planning
24 Advisory Commission.--The Commission, consistent with the goals and
25 Plan, shall:

26 1. Assist and advise the Governor and the Department of Planning
27 and Budget in developing and implementing the Virginia Growth
28 Strategies Plan.

- 1 2. Assist and advise the Governor in establishing the guidelines
2 to be used by the designated state agencies in their participation in
3 the development of the Plan.
- 4 3. Assist and advise the Governor in establishing the guidelines
5 to be used by local governments in submission of information required
6 by § 2.1-51.6:11.
- 7 4. Identify and report to the Governor, prior to adoption of the
8 Plan or any proposed amendment to the Plan, conflicts and
9 inconsistencies between the programs of the designated state agencies.
- 10 5. Periodically review planning procedures and relationships
11 between the Commonwealth and its political subdivisions and recommend
12 to the Governor and the General Assembly methods of strengthening
13 cooperation.
- 14 6. Facilitate education and public participation in the
15 development, implementation and review of the Virginia Growth
16 Strategies Plan.
- 17 7. Recommend to the Governor and the General Assembly
18 administrative or legislative actions that advance the purposes of the
19 Virginia Growth Strategies Act.
- 20 8. Review local comprehensive plans to determine whether they
21 are consistent with the goals set forth in § 2.1-51.6:7 and the Plan.
- 22 9. Make recommendations to the Governor regarding the
23 recognition of these plans.
- 24 10. Recommend to the Governor alternatives for meeting the
25 funding requirements of infrastructure improvements and conservation
26 measures which will enhance the Commonwealth's ability to manage its
27 population and development.
- 28 11. Propose innovative and cooperative land management

1 techniques that will accommodate anticipated population growth and
2 development.

3 12. Develop by January 1, 1996, with participation by local
4 governments, guidelines to be used by the political subdivisions for
5 preparation of local plans for recognition and implementing
6 ordinances. These guidelines shall assure that plans are consistent
7 with the sixteen planning goals and should address, but not be limited
8 to: power and energy transmission corridors, major roads and transit
9 corridors, targeted areas for economic development, targeted areas for
10 renewable resource management (mining, forestry and farming), water
11 quantity and quality, air quality, solid waste management, affordable
12 housing, important natural, cultural and historic resources, growth
13 versus non-growth areas and regional concerns. Guidelines for review
14 of local comprehensive plans for recognition shall include review and
15 comment by the planning district in which the locality is located
16 prior to any final state finding of recognition. The guidelines
17 developed pursuant to this section shall be made available for public
18 review and comment.

19 § 2.1-51.6:16. Duties of Department acting through its Division
20 of Planning.--The Department acting through its Division of Planning
21 shall:

22 1. Assist the Governor in the development and adoption of the
23 Virginia Growth Strategies Plan;

24 2. Provide staff support to the Virginia Strategic Advisory
25 Commission;

26 3. Collect and analyze data in the Commonwealth with regard to
27 population, land and resource use, economic development, including an
28 inventory of natural, cultural and historic resources, and other ar

- 1 relating to the goals and develop long- and short-term analyses and
2 projections for future trends and conditions in the Commonwealth;
- 3 4. Coordinate preparation of the state's capital improvements
4 and long-term infrastructure needs and assessments for the
5 Commonwealth and its political subdivisions;
- 6 5. Evaluate and report to the Governor and the Commission on
7 progress and problems in implementation of the Plan;
- 8 6. Provide technical assistance to planning district commissions
9 and local governments including providing from the state's records
10 information concerning demographics and natural, cultural and historic
11 resources;
- 12 7. Develop and maintain the Commonwealth's comprehensive data
13 network for the benefit of the agencies of the Commonwealth and its
14 political subdivisions;
- 15 8. Advise the Governor on proposed legislative and budgetary
16 initiatives which significantly affect the Plan;
- 17 9. Distribute copies of the Plan to state agencies and local
18 governments;
- 19 10. Review and approve all sub-state district system boundaries
20 established or proposed for establishment by state agencies;
21 information relevant to their planning and development activities,
22 boundary changes, changes of form and status of government,
23 intergovernmental agreements and arrangements, and such other
24 information as may be deemed necessary;
- 25 12. Administer the Virginia Area Development Act (§ 15.1-1400 et
26 seq.) and promote district planning;
- 27 13. Collect from the political subdivisions information relevant
28 to their planning and development activities, boundary changes,

1 changes of form and status of government, intergovernmental agreements
2 and arrangements, and such other information as may be deemed
3 necessary;

4 14. Make information available to communities, planning district
5 commissions, service districts and governmental subdivisions of the
6 Commonwealth;

7 15. Provide professional and technical assistance to, and
8 cooperate with, any planning agency, planning district commission,
9 service district, or governmental subdivision engaged in the
10 preparation of development plans and programs, service district plans,
11 or consolidation agreements;

12 16. Assist the Governor in providing such state financial aid as
13 may be appropriated by the General Assembly in accordance with §
14 15.1-1412; and

15 17. Develop state community-development policies, goals and
16 programs for the consideration and adoption by the Governor.

17 § 2.1-51.6:17. Boundaries of planning district; merger of
18 districts.--The Department, Division of Planning shall make studies
19 and surveys of the boundaries of planning districts on a continuing
20 basis. And from time to time, subject to the provisions of the
21 Administrative Process Act (§ 9-6.14:1 et seq.) and upon the request
22 of a member jurisdiction of a planning district, it may make such
23 changes as it deems advisable for the adjustment of the boundaries of
24 the planning districts subject to the following criteria and
25 procedures:

26 1. Each of the political subdivisions shall fall within the
27 boundaries of a planning district.

28 2. Planning districts shall be composed of any combination of

1 governmental subdivisions, provided that there are at least two
2 counties, two cities, or one county and one city. If any part of a
3 county, city or town is included in a planning district, the entire
4 county, city or town shall be included in such district.

5 3. The determination of the political subdivisions to be included
6 in a planning district shall be based upon the community of interest
7 among the governmental subdivisions, the ease of communication and
8 transportation, geographic factors and natural boundaries, and the
9 appropriateness of the boundaries of the planning district to the
10 provision of services and performance of governmental functions in the
11 area by the service district. In making such determination, the
12 Department may give consideration to the wishes of a governmental
13 subdivision within or surrounding a proposed planning district, as
14 expressed by a resolution of its governing body.

15 4. In conducting the studies and surveys above provided for, the
16 Department shall consult with the governing bodies of the governmental
17 subdivisions within and adjoining a proposed planning district and
18 shall hold public and other hearings upon notice as necessary;
19 provided at least one public hearing is held in each proposed planning
20 district.

21 5. Upon completion of a revision in planning districts, the
22 Department shall notify the governing body of each affected
23 governmental subdivision and advise it of the designation assigned to
24 the planning district in which the governmental subdivision is
25 included.

26 6. The Department shall declare any two planning districts merged
27 into one district if so requested by concurrent resolutions of the
28 commissions of the two districts and a majority of the governing

1 bodies of the local governments comprising each district seeking to be
2 merged.

3

4 PLANNING AND BUDGET.

5

6 § 2.1-387. Chief planning officer and the chief budget
7 officer.--The Governor shall be the chief planning officer and the
8 chief budget officer of the Commonwealth. He shall be responsible for
9 developing the Virginia Growth Strategies Plan to implement Chapter
10 5.01 of this Title. The Governor shall certify that the budget is in
11 conformance with the Plan when he submits the bi-annual budget.

12 § 2.1-388. Department of Planning and Budget created;
13 appointment of Director.--There is hereby created, a Department of
14 Planning and Budget with a Division of Planning and a Division of
15 Budget. The Department shall be headed by a Director who shall be
16 appointed by and serve at the pleasure of the Governor.

17 § 2.1-389.1. Duties of Division of Planning.--The Division of
18 Planning shall implement and carry out the duties imposed on the
19 Department by Chapter 5.01 of this Title.

20 § 2.1-391. Duties of Division of Budget.--The Department-
21 Division of Budget shall have the following duties:

22 1. Development and direction of an integrated fiscal policy
23 analysis, --planning,--and budgeting process within state government.

24 ~~2.--Review-and-approval-of-all-sub-state-district-systems-~~
25 ~~boundaries-established-or-proposed-for-establishment-by-state-~~
26 ~~agencies,--~~

27 3.--2. Formulation of an executive budget as required in this
28 chapter. In implementing this provision, the ~~Department-of-Planning-~~

1 ~~and~~ Division of Budget shall utilize the resources and determine the
2 manner of participation of any executive agency as the Governor may
3 determine necessary to support an efficient and effective budget
4 process notwithstanding any contrary provision of law.

5 4~~+~~--3. Conduct of policy analysis and program evaluation for
6 the Governor.

7 5~~+~~--4. Continuous review of the activities of state government
8 focusing on budget requirements in the context of the goals and
9 objectives determined by the Governor and the General Assembly and
10 monitoring the progress of agencies in achieving goals and objectives.

11 6~~+~~--5. Operation of a system of budgetary execution to assure-
12 ensure that agency activities are conducted within fund limitations
13 provided in the ~~appropriations-~~appropriation act and in accordance
14 with gubernatorial and legislative intent.

15 7~~+~~--6. Development and operation of a system of standardized
16 reports of program and financial performance for management.

17 8~~+~~--7. Coordination of statistical data by reviewing,
18 analyzing, monitoring, and evaluating statistical data developed and
19 used by state agencies and by receiving statistical data from outside
20 sources, such as research institutes and the federal government.

21 9~~+~~--8. Assessment of the impact of federal funds on state
22 government by reviewing, analyzing, monitoring, and evaluating the
23 federal budget, as well as solicitations, applications, and awards for
24 federal financial aid programs on behalf of state agencies.

25 10~~+~~--9. Review and verification of the accuracy of agency
26 estimates of receipts from donations, gifts or other nongeneral fund
27 revenue.

28 § 2.1-394. Estimates by state agencies of amounts needed.--

1 Biennially in the odd-numbered years, on a date established by the
2 Governor, each of the several state agencies and other agencies and
3 undertakings receiving or asking financial aid from the Commonwealth
4 shall report to the Governor, through the responsible secretary
5 designated by statute or executive order, in a format prescribed for
6 such purpose, an estimate in itemized form showing the amount needed
7 for each year of the ensuing biennial period beginning with the first
8 day of July thereafter. Requests for financial aid for major state
9 projects, as defined in § 2.1-51.6:6, shall be accompanied by a
10 certified statement that such projects are consistent with the
11 Virginia Growth Strategies Plan. The Governor may certify that a
12 project is of overriding state interest and not subject to the
13 preceding provision. Such a notice shall be sent for information
14 purposes to the local government(s) affected by the Governor's
15 finding. The Governor may prescribe targets which shall not be
16 exceeded in the official estimate of each agency; however, an agency
17 may submit to the Governor a request for an amount exceeding the
18 target as an addendum to its official budget estimate. The format
19 which must be used in making these reports shall be prescribed by the
20 Governor, shall be uniform for all agencies and shall clearly
21 designate the kind of information to be given thereon. The Governor
22 may prescribe a different format for reports from institutions of
23 higher education, which format shall be uniform for all such
24 institutions and shall clearly designate the kind of information to be
25 provided thereon.

26 § 2.1-394.1. Estimates by nonstate agencies of amounts
27 needed.--A. Except as provided in §§ 10.1-812 through 10.1-814, no
28 state funds shall be appropriated or expended for, or to, nonstate

1 agencies unelss:

2 1. A request for state aid is filed by the organization with the
3 ~~Department-of-Planning-and-Division of~~ Budget, as required by §
4 2.1-394.

5 2. ~~Sueh-The~~ nonstate agency shall certify to the satisfaction
6 of the ~~Department-Division of~~ Budget that matching funds are
7 available in cash from local or private sources in an amount at least
8 equal to the amount of the request. These matching funds must be
9 concurrent with the purpose for which state funds are requested.
10 Contributions received and spent prior to the state grant shall not be
11 considered in satisfying the requirements of this subdivision.

12 3. ~~Sueh-The~~ nonstate agency shall provide documentation of its
13 tax exempt status under applicable provisions of the United States
14 Internal Revenue Code.

15 B. Except as provided in §§ 23-38.11 through 23-38.18, no state
16 funds shall be appropriated to, or expended for, a private institution
17 of higher education or religious organization.

18 C. Requests for the appropriation of funds for nonstate agencies
19 shall be considered by the Governor and the General Assembly only in
20 even-numbered years.

21 D. For the purposes of this section, a "nonstate agency" shall-
22 ~~mean-means~~ any public or private foundation, authority, institute,
23 museum, corporation or similar organization which is not a unit of
24 state government or a political subdivision of the Commonwealth as
25 established by general law or special act. It shall not mean any such
26 entity which receives state funds as a subgrantee of a state agency or
27 through a state grant-in-aid program authorized by law.

28 § 2.1-397.1. Participation of certain agencies in budget

1 development process of other agencies.--Agencies having
2 responsibilities granted under §§ 2.1-373, 2.1-563.17, 2.1-563.18,
3 10.1-1204, and 37.1-207 shall participate in the budget development
4 process of relevant agencies and receive from these agencies, prior to
5 submission to the Department of Planning and Budget, their proposed
6 programs and budgets. Recommendations to the appropriate agencies and
7 the secretaries of the Governor on related matters shall be made prior
8 to budget submissions.

9 § 2.1-398. Submission of budget to General Assembly.--On or
10 before December 20 in the year immediately prior to the beginning of
11 each regular session held in an even-numbered year of the General
12 Assembly, the Governor shall submit to the presiding officer of each
13 house printed copies of a budget, based on his own conclusions and
14 judgment, containing the following:

15 1. A statement of historical and projected trends which
16 influence development, natural and human resources, and general
17 economic conditions in the Commonwealth, and projections pertaining to
18 population, transportation, commerce, agriculture, and urbanization.
19 In addition to utilizing such statement in the preparation of his
20 budget, the Governor shall use such statement for the purpose of
21 coordinating programs of planning district commissions, regional
22 development authorities, and local governments with those of state
23 agencies and to disclose how the Virginia Growth Strategies Plan is
24 being implemented in the budget .

25 2. A statement of the Governor's proposed goals, objectives, and
26 policies in the areas of:

27 {a}-a. Administration of justice;

28 {b}-b. Education, including intellectual and cultural

1 development;

2 {e}-c. Individual and family services;

3 {d}-d. Resources and economic development, including specific
4 references to economic development and management of natural
5 resources;

6 {e}-e. Transportation; and

7 {f}-f. General government, including therein or as separate
8 categories areas of multiple impact, such as telecommunications,
9 energy, and urban development.

10 3. A statement organized by function, primary agency, and
11 proposed appropriation item which sets forth:

12 {a}-a. Identification of common programs and services;

13 {b}-b. Service attainments or lack of attainments and service
14 terminations or reductions for the biennium;

15 {e}-c. Major goals and objectives for programs;

16 {d}-d. Program measures to be used in monitoring and evaluating
17 services as specified in the general ~~appropriations~~-appropriation
18 act; and

19 {e}-e. The amount of each primary agency's budget that is
20 direct aid to localities.

21 4. An "executive salary plan" recommending levels into which the
22 position of each cabinet secretary and administrative head of each
23 agency and institution of the executive branch of state government
24 should be placed for salary purposes, salary ranges for each of those
25 recommended levels, and the basis for the recommendations contained in
26 the plan.

27 5. A statement of proposed capital appropriations organized by
28 the primary agency that sets forth the program need for the project

1 and the proposed source of funding.

2 § 2.1-399. Budget Bill.--A. On or before December 20 of the
3 year immediately prior to the beginning of each regular session held
4 in an even-numbered year of the General Assembly, the Governor also
5 shall submit to the presiding officer of each house of the General
6 Assembly, at the same time he submits his budget, copies of a
7 tentative bill for all proposed appropriations of the budget, for each
8 year in the ensuing biennial appropriation period, which shall be
9 known as "The Budget Bill." "The Budget Bill" , shall reference the
10 Virginia Growth Strategies Plan, shall be organized by function,
11 primary agency, and proposed appropriation item and shall include an
12 identification of, and authorization for, common programs and the
13 appropriation of funds according to programs. Except as expressly
14 provided in an appropriation act, whenever the amounts in a schedule
15 for a single appropriation item are shown in two or more lines, the
16 portions of the total amount shown on separate lines are for
17 information purposes only and are not limiting. No such bill shall
18 contain any appropriation the expenditure of which is contingent upon
19 the receipt of revenues in excess of funds unconditionally
20 appropriated. The salary proposed for payment for the position of
21 each cabinet secretary and administrative head of each agency of the
22 executive branch of state government shall be specified in "The Budget
23 Bill."

24 B. On or before December 20 of the year immediately prior to the
25 beginning of each regular session held in an odd-numbered year of the
26 General Assembly, the Governor shall submit to the presiding officer
27 of each house printed copies of all gubernatorial amendments proposed
28 to the general appropriation act adopted in the immediately preceding

1 even-numbered year session.

2 § 2.1-399.1. Capital projects.--A. On or before December 20 of
3 the year immediately prior to the beginning of each regular session
4 held in an even-numbered year of the General Assembly, the Governor
5 shall submit to the presiding officer of each house of the General
6 Assembly copies of any tentative bill or bills involving proposed
7 capital appropriations for each year in the ensuing biennial
8 appropriation period. Each of such capital appropriations shall be
9 consistent with and implement, when appropriate, the Virginia Growth
10 Strategies Plan. Such bill or bills shall include each capital
11 project to be financed through revenue bonds or other debt issuance,
12 the amount of each such project, and identify the entity which will
13 issue such debt.

14 B. On or before December 20 of the year immediately prior to the
15 beginning of each regular session held in an odd-numbered year of the
16 General Assembly, the Governor shall submit to the presiding officer
17 of each house printed copies of all gubernatorial amendments proposed
18 to capital appropriations ~~act-~~acts adopted in the immediately
19 preceding even-numbered year session.

20 C. The Governor shall ensure that a summary of budget highlights
21 be sent to a newspaper of general circulation in the following
22 geographical areas of the Commonwealth: Northern Virginia, Hampton
23 Roads, Richmond/Petersburg, Central Virginia, Shenandoah Valley,
24 Roanoke Valley, Southside, and Southwest Virginia prior to the
25 convening of such session of the General Assembly.

26 D. The standing committees of the House of Delegates and of the
27 Senate in charge of appropriation measures shall hold four regional
28 public hearings on the budget bill submitted by the Governor. The

1 four public hearings shall be held prior to the convening of such
2 session of the General Assembly, at hearing sites and times as
3 selected by the chairmen of the two committees.

1
2 TITLE 9.

3 Commissions.

4 § 9-6.25:1. Advisory boards, commissions and councils.--There
5 shall be, in addition to such others as may be designated in
6 accordance with § 9-6.25, the following advisory boards, commissions
7 and councils within the executive branch:

8 Advisory Board for the Department for the Deaf and
9 Hard-of-Hearing

10 Advisory Board for the Department for the Aging

11 Advisory Board on Child Abuse and Neglect

12 Advisory Board on Medicare and Medicaid

13 Advisory Board on Occupational Therapy

14 Advisory Board on Physical Therapy to the Board of Medicine

15 Advisory Board on Respiratory Therapy to the Board of Medicine

16 Advisory Board on Teacher Education and Licensure

17 Advisory Council on Revenue Estimates

18 Appomattox State Scenic River Advisory Board

19 Aquaculture Advisory Board

20 Art and Architectural Review Board

21 (Effective until July 1, 1994) Board for the Visually Handicapped

22 Board of Directors, Virginia Truck and Ornamentals Research

23 Station

24 Board of Forestry

25 Board of Health Professions

26 Board of Military Affairs

27 (Effective until July 1, 1994) Board of Rehabilitative Services

28 Board of Transportation Safety

1 Board of Trustees of the Family and Children's Trust Fund
2 Board of Visitors, Gunston Hall Plantation
3 Board on Veterans' Affairs
4 Catoctin Creek State Scenic River Advisory Board
5 Cave Board
6 Chickahominy State Scenic River Advisory Board
7 Clinch Scenic River Advisory Board
8 Coal Surface Mining Reclamation Fund Advisory Board
9 Council on Indians
10 Council on the Status of Women
11 Emergency Medical Services Advisory Board
12 Falls of the James Committee
13 Forensic Science Advisory Board
14 Goose Creek Scenic River Advisory Board
15 Governor's Council on Alcohol and Drug Abuse Problems
16 Governor's Mined Land Reclamation Advisory Committee
17 Hemophilia Advisory Board
18 Human Services Information and Referral Advisory Council
19 Industrial Development Services Advisory Board
20 Interagency Coordinating Council on Housing for the Disabled
21 Interdepartmental Board of the State Department of Minority
22 Business Enterprise
23 Laboratory Services Advisory Board
24 Local Advisory Board to the Blue Ridge Community College
25 Local Advisory Board to the Central Virginia Community College
26 Local Advisory Board to the Dabney S. Lancaster Community College
27 Local Advisory Board to the Danville Community College
28 Local Advisory Board to the Eastern Shore Community College

1 Local Advisory Board to the Germanna Community College
2 Local Advisory Board to the J. Sargeant Reynolds Community
3 College
4 Local Advisory Board to the John Tyler Community College
5 Local Advisory Board to the Lord Fairfax Community College
6 Local Advisory Board to the Mountain Empire Community College
7 Local Advisory Board to the New River Community College
8 Local Advisory Board to the Northern Virginia Community College
9 Local Advisory Board to the Patrick Henry Community College
10 Local Advisory Board to the Paul D. Camp Community College
11 Local Advisory Board to the Piedmont Virginia Community College
12 Local Advisory Board to the Rappahannock Community College
13 Local Advisory Board to the Southwest Virginia Community College
14 Local Advisory Board to the Thomas Nelson Community College
15 Local Advisory Board to the Tidewater Community College
16 Local Advisory Board to the Virginia Highlands Community College
17 Local Advisory Board to the Virginia Western Community College
18 Local Advisory Board to the Wytheville Community College
19 Long-Term Care Council
20 Maternal and Child Health Council
21 Medical Advisory Board, Department of Motor Vehicles
22 Medical Board of the Virginia Retirement System
23 Migrant and Seasonal Farmworkers Board
24 Motor Vehicle Dealer's Advisory Board
25 Nottoway State Scenic River Advisory Board
26 Personnel Advisory Board
27 Plant Pollination Advisory Board
28 Private College Advisory Board

1 Private Security Services Advisory Board
2 Psychiatric Advisory Board
3 Radiation Advisory Board
4 Rappahannock Scenic River Advisory Board
5 Recreational Fishing Advisory Board, Virginia
6 Reforestation Board
7 Retirement System Review Board
8 Rockfish State Scenic River Advisory Board
9 Shenandoah State Scenic River Advisory Board
10 Small Business Advisory Board
11 Small Business Environmental Compliance Advisory Board
12 St. Mary's Scenic River Advisory Committee
13 State Advisory Board on Air Pollution
14 State Advisory Board for the Virginia Employment Commission
15 State Building Code Technical Review Board
16 State Council on Local Debt
17 State Health Benefits Advisory Council
18 State Insurance Advisory Board
19 State Land Evaluation Advisory Council
20 State Networking Users Advisory Board
21 State Public Records Advisory Council
22 Staunton Scenic River Advisory Committee
23 Telecommunications Relay Service Advisory Board
24 Tourism and Travel Services Advisory Board
25 Toxic Substances Advisory Board
26 Virginia Advisory Commission on Intergovernmental Relations
27 Virginia Coal Research and Development Advisory Board
28 Virginia Commission for the Arts

- 1 Virginia Commission on the Bicentennial of the United States
- 2 Constitution
- 3 Virginia Council on Coordinating Prevention
- 4 Virginia Equal Employment Opportunity Council
- 5 Virginia Interagency Coordinating Council
- 6 Virginia Military Advisory Council
- 7 Virginia Mine Safety Board
- 8 Virginia Public Buildings Board
- 9 Virginia Strategic Planning Advisory Commission
- 10 Virginia Transplant Council
- 11 Virginia War Memorial Foundation
- 12 Virginia Water Resources Research Center, Statewide Advisory
- 13 Board
- 14 Virginia Winegrowers Advisory Board.

15 CHAPTER 11.

16 Planning, Subdivision of Land and Zoning.

17 § 15.1-427. Declaration of legislative intent.--This chapter is
 18 intended to encourage local governments to implement the goals set
 19 forth in § 2.1-51.6:7 and to improve public-the health, safety,
 20 convenience-and general welfare of its citizens and to plan for the
 21 future development of communities to the end that transportation
 22 systems be carefully planned; that new community centers be developed
 23 with adequate highway, utility, health, educational, and recreational
 24 facilities; that the needs of agriculture, industry and business be
 25 recognized in future growth; that residential areas be provided with
 26 healthy ~~surrounding~~-surroundings for family life; that agricultural
 27 and forestal land be preserved; and that the growth of the community
 28 be consonant with the efficient and economical use of public funds.

1 § 15.1-427.01. Certain land use documents filed with
2 Commonwealth's Department of Planning and Budget.--On or before
3 December 20, 1995, every county and city and every town with a
4 population of 3,500 or more shall file with the Department of Planning
5 and Budget, Division of Planning, and the Virginia State Library and
6 Archives, a copy of its current comprehensive plan, capital
7 improvements plan, zoning ordinance and subdivision ordinance and all
8 amendments to such documents.

9 Copies of all plans, ordinances and amendments thereto shall be
10 filed with the Department of Planning and Budget, Division of Planning
11 and the Virginia State Library and Archives within thirty days of
12 their final approval by the governing bodies of all counties and
13 cities and all towns with populations of 3,500 or more.

14 § 15.1-446.1. Comprehensive plan to be prepared and adopted;
15 scope and purpose.--The local commission shall prepare and recommend
16 comprehensive plan for the physical development of the territory
17 within its jurisdiction.

18 Every governing body in this Commonwealth shall adopt a
19 comprehensive plan for the territory under its jurisdiction by July 1,
20 1980.

21 In the preparation of a comprehensive plan, the commission shall
22 make careful and comprehensive surveys and studies of the existing
23 conditions and trends of growth, and of the probable future
24 requirements of its territory and inhabitants. The comprehensive plan
25 shall be made with the purpose of guiding and accomplishing a
26 coordinated, adjusted and harmonious development of the territory
27 which will, in accordance with present and probable future needs and
28 resources best promote the health, safety, ~~morals, order, convenience~~

1 prosperity-and general welfare of the inhabitants.

2 The comprehensive plan shall be consistent with and implement the
3 goals set forth in § 2.1-51.6:7 and the plan prepared therefrom
4 pursuant to § 2.1-51.6:8.

5 The comprehensive plan shall be general in nature, in that it
6 shall designate the general or approximate location, character, and
7 extent of each feature shown on the plan and shall indicate where
8 existing lands or facilities are proposed to be extended, widened,
9 removed, relocated, vacated, narrowed, abandoned, or changed in use as
10 the case may be.

11 Such plan, with the accompanying maps, plats, charts, and
12 descriptive matter, shall show the commission's long-range
13 recommendations for the general development of the territory covered
14 by the plan, including the location of existing or proposed recycling
15 centers. It may include, but need not be limited to:

16 1. The designation of areas for various types of public and
17 private development and use, such as different kinds of residential,
18 business, industrial, agricultural, conservation, recreation, public
19 service, flood plain and drainage, and other areas;

20 2. The designation of a system of transportation facilities such
21 as streets, roads, highways, parkways, railways, bridges, viaducts,
22 waterways, airports, ports, terminals, and other like facilities;

23 3. The designation of a system of community service facilities
24 such as parks, forests, schools, playgrounds, public buildings and
25 institutions, hospitals, community centers, waterworks, sewage
26 disposal or waste disposal areas, and the like;

27 4. The designation of historical areas and areas for urban
28 renewal or other treatment;

1 5. The designation of areas for the implementation of reasonable
2 groundwater protection measures;

3 6. An official map, a capital improvements program, a subdivision
4 ordinance, and a zoning ordinance and zoning district maps; and

5 7. The designation of areas for the implementation of measures to
6 promote construction of and maintenance of affordable housing.

7 § 15.1-447. Surveys and studies to be made in preparation of
8 plan; implementation of plan.--A. In the preparation of a
9 comprehensive plan, the local commission shall survey and study such
10 matters as the following:

11 1. Use of land, preservation of agricultural and forestal land,
12 production of food and fiber, characteristics and conditions of
13 existing development, trends of growth or changes, natural resources,
14 groundwater, surface water, geologic factors, population factors,
15 employment, environmental and economic factors, existing public
16 facilities, drainage, flood control and flood damage prevention
17 measures, transportation facilities, the need for affordable housing,
18 and any other matters relating to the subject matter and general
19 purposes of the comprehensive plan.

20 2. Probable future economic and population growth of the
21 territory and requirements therefor.

22 3. The relationship of the plan to the anticipated rate, timing
23 and location of future development.

24 B. The comprehensive plan shall recommend methods of
25 implementation and shall include a current map of the area covered by
26 such comprehensive plan. Unless otherwise required by this chapter
27 these may-shall, except for towns with populations of less than
28 3,500, for which these requirements are optional, include but need no

1 be limited to:

- 2 1. An official map;
- 3 2. A capital improvements program;
- 4 3. A subdivision ordinance; and
- 5 4. A zoning ordinance and zoning district maps.

6 The requirement for the local commission to survey and study
7 production of food and fiber in the preparation of a comprehensive
8 plan shall not affect any comprehensive plan adopted prior to January
9 1, 1981.

10 § 15.1-453.1. Submission of plan to adjoining local governments
11 before approval.--Prior to approval by the governing body of the plan,
12 or major amendment to the plan, the governing body shall send a copy
13 of the plan, part or amendment, to all adjoining counties, cities and
14 towns and the appropriate planning district commission for their
15 comment.

16 Such adjoining counties, cities and towns, and the appropriate
17 planning district commission shall be notified at the same time that
18 the intention to adopt a plan or amendment is advertised pursuant to §
19 15.1-431. The adjoining counties, cities or towns and the appropriate
20 planning district commission may comment prior to the date of final
21 decision.

22 § 15.1-464. Certain planning commissions to prepare and submit
23 annually capital improvement programs to governing body and chief
24 administrative officer.-- ~~A local commission may, and at the~~
25 ~~direction of the governing body shall,--~~ The planning commission of
26 every county and city and every town having a population of 3,500 or
27 more shall prepare and revise annually a capital improvement program
28 based on the comprehensive plan of the county or municipality for a

1 ~~five-year period not to exceed the ensuing five years~~. The planning
2 commission shall submit the ~~same program~~ annually to the governing
3 body ~~, or and~~ to the chief administrative officer ~~or other official~~
4 ~~charged with preparation of the budget for the municipality or county~~
5 or municipality, at such time as ~~it or he shall direct~~ directed.

6 ~~Such~~ The capital improvement program shall include the planning
7 commission's recommendations, and estimates of cost of such facilities
8 and the means of financing them, to be undertaken in the ensuing
9 fiscal year and in ~~a period not to exceed the~~ next four years, as the
10 basis of the capital budget for the county or municipality. In the
11 preparation of its capital budget recommendations, the planning
12 commission shall consult with the chief administrative officer ~~or~~
13 ~~either executive head of the government of~~ the county or municipality ~~, or~~
14 ~~the heads of departments and~~ interested citizens and organizations and
15 shall hold such public hearings after giving notice in the manner
16 provided for in § 15.1-431, as ~~it deems necessary unless otherwise~~
17 ~~required~~.

18 Municipalities with populations less than 3,500, in their
19 discretion, may require capital improvement programs.

20 § 15.1-465. Counties and municipalities to adopt ordinances
21 regulating subdivision and development of land.--The governing body of
22 any every county ~~or and~~ municipality shall adopt an ordinance to
23 assure the orderly subdivision of land and its development. Such
24 ordinance shall be adopted by July 1, 1977. The ordinance shall
25 implement the comprehensive plan. The word "subdivision" as used in
26 any such ordinance shall have the meaning set forth in § 15.1-430 (1).

27 § 15.1-486. Zoning ordinances generally; jurisdiction of
28 counties and municipalities respectively.--The governing body of any-

1 ~~every county or~~ and municipality may-, by ordinance, may classify the
2 territory under its jurisdiction or any substantial portion thereof
3 into districts of such number, shape and size as it may deem best
4 suited to carry out the purposes of this article ~~,-and-in-.~~
5 Effective July 1, 1999, the governing body of every county and
6 municipality, by ordinance, shall classify all territory under its
7 jurisdiction into districts of such number, shape and size as it may
8 deem best suited, to carry out the purposes of this article.

9 In each district it may regulate, restrict, permit, prohibit, and
10 determine the following:

11 ~~(a)~~-1. The use of land, buildings, structures and other
12 premises for agricultural, business, industrial, residential, flood
13 plain and other specific uses;

14 ~~(b)~~-2. The size, height, area, bulk, location, erection,
15 construction, reconstruction, alteration, repair, maintenance, razing,
16 or removal of structures;

17 ~~(c)~~-3. The areas and dimensions of land, water, and air space
18 to be occupied by buildings, structures and uses, and of courts,
19 yards, and other open spaces to be left unoccupied by uses and
20 structures, including variations in the sizes of lots based on whether
21 a public or community water supply or sewer system is available and
22 used;

23 ~~(d)~~-4. The excavation or mining of soil or other natural
24 resources.

25 ~~(e)~~-5. [Repealed.]

26 For the purpose of zoning, the governing body of a county shall
27 have jurisdiction over all the unincorporated territory in the county,
28 and the governing body of a municipality shall have jurisdiction over

1 the incorporated area of the municipality.

2 § 15.1-489. Purpose of zoning ordinances.--Zoning ordinances
3 shall be for the general purpose of promoting the health, safety ex-
4 and general welfare of the public and of further accomplishing the
5 objectives of § 15.1-427 and § 15.1-446.1. To these ends, such
6 ordinances shall be designed to give reasonable consideration to each
7 of the following purposes, where applicable: ~~(1)~~-(i) to provide for
8 adequate light, air, convenience of access, and safety from fire,
9 flood and other dangers; ~~(2)~~-(ii) to reduce or prevent congestion in
10 the public streets; ~~(3)~~-(iii) to facilitate the creation of a
11 convenient, attractive and harmonious community; ~~(4)~~-(iv) to
12 facilitate the provision of adequate police and fire protection,
13 disaster evacuation, civil defense, transportation, water, sewerage,
14 flood protection, schools, parks, forests, playgrounds, recreational
15 facilities, airports and other public requirements; ~~(5)~~-(v) to
16 protect against destruction of or encroachment upon historic areas;
17 ~~(6)~~-(vi) to protect against one or more of the following:
18 overcrowding of land, undue density of population in relation to the
19 community facilities existing or available, obstruction of light and
20 air, danger and congestion in travel and transportation, or loss of
21 life, health, or property from fire, flood, panic or other dangers;
22 ~~(7)~~-(vii) to encourage economic development activities that provide
23 desirable employment and enlarge the tax base; ~~(8)~~-(viii) to provide
24 for the preservation of agricultural and forestal lands and other
25 lands of significance for the protection of the natural environment;
26 ~~(9)~~-(ix) to protect approach slopes and other safety areas of
27 licensed airports, including United States government and military air
28 facilities; ~~and-(10)~~-(x) to promote affordable housing ---Such-

1 ~~ordinance may also include reasonable provisions, not inconsistent-~~
2 ~~with applicable state water quality standards, -; and (xi) to protect~~
3 surface water and ground water as defined in § 62.1-255 by reasonable
4 provisions not inconsistent with applicable state water quality
5 standards .

6 § 15.1-490. Matters to be considered in drawing and applying
7 zoning ordinances and districts.--Zoning ordinances and districts
8 shall be drawn and applied to implement the goals set forth in §
9 2.1-51.6:7 and the comprehensive plan provided for in § 15.1-446.1 and
10 with reasonable consideration for the existing use and character of
11 property, ~~the comprehensive plan, -~~the suitability of property for
12 various uses, the trends of growth or change, the current and future
13 requirements of the community as to land for various purposes as
14 determined by population and economic studies and other studies, the
15 transportation requirements of the community, the requirements for
16 airports, housing, schools, parks, playgrounds, recreation areas and
17 other public services, the conservation of natural resources, the
18 preservation of flood plains, the preservation of agricultural and
19 forestal land, the conservation of properties and their values and the
20 encouragement of the most appropriate use of land throughout the
21 county or municipality.

22 CHAPTER 34.

23 VIRGINIA AREA DEVELOPMENT ACT.

24 § 15.1-1402. Definitions.--For the purposes of this chapter:
25 (a) ~~"Planning district" shall mean-~~means a contiguous area
26 within the boundaries established by the ~~Department of Housing and-~~
27 ~~Community Development-~~Department of Planning and Budget, Division of
28 Planning .

1 ~~{b}~~- "Service district" shall ~~mean~~ means a unit of government
2 created as provided in this chapter.

3 ~~{c}~~- "Governmental subdivision" shall ~~mean~~ means the counties,
4 cities and towns of this Commonwealth.

5 ~~{d}~~- "Political subdivisions" shall ~~include~~ includes the
6 governmental subdivisions, sanitary, sanitation and transportation
7 districts, authorities and other such public bodies created under the
8 laws of this Commonwealth.

9 ~~{e}~~- "Governing body" shall ~~include~~ includes the board of
10 supervisors of a county, the council of a city or town, the board of
11 commissioners or other board or body in which the powers of a
12 political subdivision are vested by law.

13 ~~{f}~~- "Population," unless a different census is clearly set forth,
14 shall ~~mean~~ means the number of inhabitants according to the United
15 States census latest preceding the time at which any provision
16 dependent upon population is being applied, or the time as of which it
17 is being construed, unless there is available an annual estimate of
18 population prepared by the Tayloe Murphy Institute of the University
19 of Virginia, which has been filed with the ~~Department of Housing and~~
20 ~~Community Development~~ Department of Planning and Budget, Division of
21 Planning, in which event the estimate shall govern.

22 ~~{g}~~- "Commission" shall ~~mean~~ means the planning district
23 commission and is composed of the duly appointed representatives of
24 the governmental subdivisions which are parties to the charter
25 agreement.

26 § 15.1-1403. Organization of planning district commission.--(a)
27 ~~At any time after~~ After the establishment of the geographic
28 boundaries of a planning district, the governmental subdivisions

1 embracing-at-least-forty-five-percent-of-the-population-within the-
2 district-acting-by-the-governing-body-may-such boundaries shall
3 organize a planning district commission by written agreement among
4 them. Any-governmental-subdivision-not-a-party-to-such-charter-
5 agreement-shall-continue-as-a-part-of-the-planning-district-but,-until
6 such-time-as-such-governmental-subdivision-elects-to-become-a-part-of-
7 the-planning-district-commission-as-hereinafter-provided,-shall-not-be
8 represented-in-the-composition-of-the-membership-of-the-planning-
9 district-commission.---Every county and city and every town with a
10 population greater than 3,500 shall be a member of at least one
11 planning district commission. Whenever a planning district is created
12 which contains only two counties, the governing body of either county
13 may organize a planning district commission in accordance with the
14 provisions of this chapter if the governing body of the other county
15 does not agree to organize such a planning district commission.

16 (b) The charter agreement shall set forth:

17 (1) The name of the planning district.

18 (2) The governmental subdivision in which its principal office
19 shall be situated.

20 (3) The effective date of the organization of the planning
21 district commission.

22 (4) The composition of the membership of the planning district
23 commission. At least a majority of its members shall be elected
24 officials of the governing bodies of the governmental subdivisions
25 within the district, with each county, city and town of more than
26 3,500 population having at least one representative. The chief
27 elected official and the chief administrative officer of each
28 jurisdiction within the district shall be members of the planning

1 district commission. In any planning district other than planning
2 district number 20-23, a town of 3,500 or less population may
3 petition the planning district commission to be represented thereon.
4 The planning district commission may, in its discretion, grant
5 representation to such town by a majority vote of the members of the
6 commission. Other members shall be qualified voters and residents of
7 the district who hold no office elected by the people. Should the
8 charter agreement, as adopted, so provide, an alternate may serve in
9 lieu of one of the elected officials of each of the governing bodies
10 of the participating governmental subdivisions.

11 (5) The term of office of the members, their method of selection
12 or removal and the method for the selection and the term of office of
13 a chairman.

14 (6) The voting rights of members, and such voting rights need not
15 be equal and may be weighed on the basis of the population of the
16 governmental subdivision represented by the member, the aggregation of
17 the voting rights of members representing one governmental
18 subdivision, or otherwise.

19 (7) The procedure for amendment, for addition of other
20 governmental subdivisions within the planning district which are not
21 parties to the original charter agreement, and the withdrawal from the
22 charter agreement by governmental subdivisions within the planning
23 district electing to do so.

24 (c) The governing body of any governmental subdivision which is a
25 member of the planning district commission may provide for
26 compensation to be paid by it for its commission members, except for
27 any full-time salaried employees of the subdivision. The amount of
28 such compensation shall not exceed the amount fixed by the planning

1 district commission.

2 § 15.1-1405.1. Duties of commission.-- In addition to any other
3 duties that may be imposed upon, or undertaken by, a planning district
4 commission, every commission shall:

5 1. Provide for, and assist in the implementation of, the goals
6 set forth in § 2.1-51.6:7;

7 2. Collect data from the district, such as land-use plans,
8 infrastructure inventories, and economic development plans, that may
9 be requested by the Department of Planning and Budget, Division of
10 Planning;

11 3. Develop in a manner satisfactory to its member jurisdictions
12 a procedure for implementing the recognition process at the local
13 level including, but not limited to, a process for convening
14 localities to discuss coordination of local plans, a process for
15 conflict resolution and regional approaches to implementation of the
16 planning goals.

17 4. Develop regional plans in areas of major state interest for
18 localities that have chosen to participate in such plans;

19 5. Serve as a liaison between local governments and the
20 Department of Planning and Budget;

21 6. Provide comments on local comprehensive plans prior to the
22 Division and Commissions' review of such plans for recognition and
23 provide comments on major revisions or amendments to recognized
24 comprehensive plans and identify inconsistencies between plans of
25 jurisdictions within the planning district; and

26 7. Planning district commission may, at the request of their
27 member jurisdictions, coordinate local comprehensive plans and submit
28 them in a joint format to satisfy the recognition requirements of

1 Chapter 5.01 of Title 2.1. Local governments must still satisfy the
2 planning requirements set forth in Title 15.1. Local comprehensive
3 plans can be combined for the planning and coordination purposes of
4 the Virginia Growth Strategies Act into a regional plan and joint
5 submittal.

6 § 15.1-1406. Preparation and adoption of comprehensive plan.--

7 (a)-A. Each planning district commission shall undertake to prepare
8 a comprehensive plan for the guidance of the development of the
9 district that is consistent with and implement the goals set forth in
10 § 2.1-51.6:7 and the plan prepared therefrom pursuant to § 2.1-51.6:8

11 . Such plan shall concern those elements which are of importance
12 statewide and in more than one of the governmental subdivisions within
13 the district, as distinguished from matters of only local importance.

14 ~~The comprehensive plan may concern such subjects and may be divided~~
15 ~~into such parts or sections as the planning district commission may~~
16 ~~deem desirable to~~ shall promote the orderly and efficient development
17 of the physical, social and economic elements of the district.

18 ~~Individual parts or sections of the plan may from time to time be~~
19 ~~adopted as they are ready.--~~

20 (b)-B. ~~Before the comprehensive plan or any part thereof,~~
21 ~~shall be adopted, it shall be submitted to the Department of Housing-~~
22 ~~and-Community-Development-Department of Planning and Budget, Division~~
23 of Planning, and to the local planning commission ~~(or, if there be~~
24 ~~none, to the governing body)~~ commissions of each governmental
25 subdivision within the district for a period of not less than thirty
26 days prior to a hearing to be held by the planning district commission
27 thereon, after notice as provided in § 15.1-431. Each such local
28 planning commission shall make recommendations to the planning

1 district commission with respect to the effect of the plan ~~or part~~
2 ~~thereof~~, within its governmental subdivision on or before the date of
3 ~~said~~ the hearing.

4 ~~(e)~~-C. Upon approval of the comprehensive plan ~~or part~~
5 ~~thereof~~, by a the planning district commission after such public
6 hearing, it shall be submitted to the governing body of each
7 governmental subdivision ~~(excluding towns of less than 3,500~~
8 ~~population)~~ within the district for adoption and, upon adoption
9 thereof by the governing bodies ~~of a majority of~~ such governmental
10 subdivisions, the local comprehensive plan, or part thereof, shall
11 become effective with respect to all action of a planning district
12 commission. The plan shall not become effective with respect to the
13 action of the governing body of any governmental subdivision within
14 the district until adopted by the governing body of such governmental
15 subdivision.

16 § 15.1-1407. Commission and governmental subdivisions to act
17 only in conformity with comprehensive plan.--When the comprehensive
18 plan ~~or any completed part thereof~~, shall become effective as the
19 district plan, the planning district commission shall not, except as
20 provided in the plan, establish any policies or take any action which
21 ~~in its opinion~~, is not in conformity therewith. When the
22 comprehensive plan ~~or any completed part thereof~~, shall have become
23 becomes effective in any governmental subdivision, such governmental
24 subdivision shall not proceed with ~~the~~ any construction of any public
25 improvement or public institution or with the acquisition of any land
26 for public purposes or the disposition of any public lands, which
27 construction, acquisition or disposition is in conflict with the
28 district comprehensive plan.

1 § 15.1-1408. Amendment of comprehensive plan.--The comprehensive
2 plan ~~or any completed part thereof~~, may be amended in the same
3 manner as provided for the original approval and adoption of the plan
4 ~~and parts thereof, provided~~, however, that if the planning district
5 commission determines that a proposed amendment has less than
6 district-wide significance, such amendment may be submitted only to
7 the local planning commissions and governing bodies of those
8 governmental subdivisions which the planning district commission shall
9 determine to be affected.

10 § 15.1-1409. Review of comprehensive plan by commission.--At
11 least once every five years the comprehensive plan ~~or completed~~
12 ~~parts of it~~, shall be reviewed by ~~a~~ the planning district commission
13 to determine whether it is advisable to amend the plan.

14 § 15.1-1411. Cooperation and consultation with other
15 agencies.--A planning district commission may cooperate with other
16 planning district commissions, councils of governments, or the
17 legislative and administrative bodies and officials of other districts
18 or governmental subdivisions within or without a district, ~~so as to~~
19 coordinate the planning and development of a district with the plans
20 of other districts and governmental subdivisions and the Commonwealth.
21 A planning district commission may appoint ~~such~~ committees and adopt
22 ~~such~~ rules as needed to effect ~~such~~ cooperation. A planning district
23 commission shall also cooperate with the ~~Department of Housing and~~
24 ~~Community Development~~ Department of Planning and Budget, Division of
25 Planning and use advice and information furnished by ~~such~~ Department
26 the Department and by other state and federal officials, departments
27 and agencies. ~~Such~~ The Department and ~~such~~ the
28 officials, departments and agencies having information, maps and data

1 pertinent to the planning and development of a district may make the
2 same, together with services and funds, available for use of a
3 planning district commission.

4 All agencies of the Commonwealth shall consult the ~~Department of~~
5 ~~Housing and Community Development~~ Department of Planning and Budget,
6 Division of Planning, prior to engaging in planning activities which
7 will require planning district commission participation.

8 § 15.1-1412. State aid.--A. Upon the organization of a planning
9 district commission, it shall be entitled to receive state financial
10 support to assist it in carrying out its purposes. ~~Such~~ The state
11 aid shall be in an amount as provided in the general ~~appropriations~~-
12 appropriation act. In order to be allocated such state aid, each
13 planning district commission shall prepare and submit annually to the
14 Governor, in such manner as he shall ~~direct~~ directs, a budget
15 showing its estimated receipts and expenditures during the next fiscal
16 year. After the review of such budget, the Governor with the
17 assistance of the ~~Department of Housing and Community Development~~-
18 Department of Planning and Budget, Division of Planning shall, subject
19 to the availability of funds, allocate such amount as will, in his
20 judgment, be sufficient to enable the planning district commission to
21 carry out its functions. The fiscal year of the planning district
22 commission shall end June 30.

23 B. In the event that two planning districts are merged to form
24 one district pursuant to § 15.1-1416.1, the new district shall be
25 entitled to receive the combined amount of aid to which the two
26 districts it replaced separately would have been entitled.

27 § 15.1-1416.1. Merger of two planning district commissions.--The
28 commissions of any two planning districts and a majority of the

1 governing bodies of the local governments comprising each district,
2 upon finding that the community of interest, ease of communications
3 and transportation, and geographic factors and natural boundaries
4 among the localities of the two districts are such that the best
5 interest of the localities would be served, may by resolutions
6 concurrently adopted vote to merge into one district and request the
7 ~~Department-of-Housing-and-Community-Development-Department of~~
8 Planning and Budget, Division of Planning to declare the districts so
9 merged. Upon such declaration, the commissions of the two districts
10 shall be merged into one commission. The commission of the new
11 district thereupon shall organize as provided in § 15.1-1403, provided
12 that nothing shall prevent the commissions of the two districts which
13 are to be merged from agreeing to the terms of such organization prior
14 to their vote to merge.

15 § 15.1-1424. Submission of plan to Office of Planning and
16 Development; approval or disapproval by local governing
17 bodies.--Promptly upon the promulgation of a service district plan, it
18 shall be submitted to the ~~Department-of-Housing-and-Community-~~
19 Development-Department of Planning and Budget, Division of Planning .
20 The Department shall conduct such studies and make such reports and
21 recommendations in regard thereto as are appropriate, after which the
22 governing body of each governmental subdivision in the service
23 district shall either approve or disapprove the plan.

24 § 15.1-1426. Judges to order election to choose elected members
25 of service district commission.--When a majority of the voters of each
26 governmental subdivision within the proposed service district votes in
27 favor of the service district plan and adoption of the charter, of
28 which fact the certificate of the State Board of Elections shall be

1 proof, the respective judges of the circuit courts having jurisdiction
2 in the counties and towns, and the ~~cooperation~~-circuit courts having
3 jurisdiction in the cities shall, by order entered of record in such
4 court in each county and city, require that an election be held, as
5 provided in § 15.1-1428, at which election the elected members shall
6 be elected.

7

8 DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT.

9 § 36-139. Powers and duties of Director.--The Director of the
10 Department of Housing and Community Development shall have the
11 following responsibilities:

12 1.-Collecting-from-the-governmental-subdivisions-of-the-
13 Commonwealth-information-relevant-to-their-planning-and-development-
14 activities,-boundary-changes,-changes-of-forms-and-status-of-
15 government,-intergovernmental-agreements-and-arrangements,-and-such-
16 other-information-as-he-may-deem-necessary.--

17 2.-Making-information-available-to-communities,-planning-district
18 commissions,-service-districts-and-governmental-subdivisions-of-the-
19 Commonwealth.--

20 3.-Providing-professional-and-technical-assistance-to,-and-
21 cooperating-with,-any-planning-agency,-planning-district-commission,-
22 service-district,-and-governmental-subdivision-engaged-in-the-
23 preparation-of-development-plans-and-programs,-service-district-plans,-
24 or-consolidation-agreements.--

25 4.-Assisting-the-Governor-in-the-providing-of-such-state-
26 financial-aid-as-may-be-appropriated-by-the-General-Assembly-in-
27 accordance-with-§-15.1-1412.--

28 5.--1. Administering federal grant assistance programs,

1 including funds from the Appalachian Regional Commission, the Economic
2 Development Administration and other such federal agencies, directed
3 at promoting the development of the Commonwealth's communities and
4 regions.

5 6---2. Developing state community development policies, goals,
6 plans and programs for the consideration and adoption of the Board
7 with the ultimate authority for adoption to rest with the Governor and
8 the General Assembly.

9 7---3. Developing a Comprehensive Housing Affordability
10 Strategy to guide the development and implementation of housing
11 programs in the Commonwealth for the purpose of meeting the housing
12 needs of the Commonwealth and, in particular, those of low-income and
13 moderate-income persons and families.

14 8---4. Determining present and future housing requirements of
15 the Commonwealth on an annual basis and revising the Comprehensive
16 Housing Affordability Strategy, as necessary to coordinate the
17 elements of housing production to ensure the availability of housing
18 where and when needed.

19 9---5. Assuming administrative coordination of the various
20 state housing programs and cooperating with the various state agencies
21 in their programs as they relate to housing.

22 10---6. Establishing public information and educational
23 programs relating to housing; devising and administering programs to
24 inform all citizens about housing and housing-related programs that
25 are available on all levels of government; designing and administering
26 educational programs to prepare families for home ownership and
27 counseling them during their first years as homeowners; and promoting
28 educational programs to assist sponsors in the development of low and

1 moderate income housing as well as programs to lessen the problems of
2 rental housing management.

3 ~~11~~--7. Administering the provisions of the Industrialized
4 Building Safety Law (§ 36-70 et seq.).

5 ~~12~~--6. Administering the provisions of the Uniform Statewide
6 Building Code (§ 36-97 et seq.).

7 ~~13~~--8. Administering the provisions of the Statewide Fire
8 Prevention Code (§ 27-94 et seq.).

9 ~~14~~--9. Establishing and operating a Building Code Academy for
10 the training of personnel in building regulations promulgated by the
11 Board of Housing and Community Development.

12 ~~15~~--10. Administering, in conjunction with the federal
13 government, and promulgating any necessary regulations regarding
14 energy standards for existing buildings as may be required pursuant to
15 federal law.

16 ~~16~~--11. Identifying and disseminating information to local
17 governments about the availability and utilization of federal and
18 state resources.

19 ~~17~~--13. Administering, with the cooperation of the Department
20 of Health, state assistance programs for public water supply systems.

21 ~~18~~--14. Advising the Board on matters relating to policies and
22 programs of the Virginia Housing Partnership Revolving Fund.

23 ~~19~~--15. Designing and establishing program guidelines to meet
24 the purposes of the Virginia Housing Partnership Revolving Fund and to
25 carry out the policies and procedures established by the Board.

26 ~~20~~--16. Preparing agreements and documents for loans and
27 grants to be made from the Virginia Housing Partnership Revolving
28 Fund; soliciting, receiving, reviewing and selecting the applications

1 for which loans and grants are to be made from such Fund; directing
2 the Virginia Housing Development Authority as to the closing and
3 disbursing of such loans and grants and as to the servicing and
4 collection of such loans; directing the Virginia Housing Development
5 Authority as to the regulation and monitoring of the ownership,
6 occupancy and operation of the housing developments and residential
7 housing financed or assisted by such loans and grants; and providing
8 direction and guidance to the Virginia Housing Development Authority
9 as to the investment of moneys in such Fund.

10 ~~21~~--17. Advising the Board on matters relating to policies for
11 the low-income housing credit and administering the approval of
12 low-income housing credits as provided in § 36-55.63.

13 ~~22~~--18. Carrying out such other duties as may be necessary and
14 convenient to the exercise of powers granted to the Department.

15 § 42.1-1. Virginia State Library and Archives.--The Virginia
16 State Library, which is hereby declared an educational institution and
17 an institution of learning, shall be continued and shall hereafter be
18 known as the Virginia State Library and Archives. The Virginia State
19 Library and Archives shall be the library agency of the Commonwealth,
20 the archival agency of the Commonwealth, and the reference library at
21 the seat of government. It shall have the following powers and duties:

22 ~~(1)~~-1. [Repealed.]

23 ~~(2)~~-2. To accept gifts, bequests and endowments for the
24 purposes which fall within the general legal powers and duties of the
25 State Library and Archives. Unless otherwise specified by the donor or
26 legator, the Library and Archives may either expend both the principal
27 and interest of any gift or bequest or may invest such sums as the
28 Board deems advisable, with the consent of the State Treasurer, in

1 securities in which sinking funds may be invested. The Library and
2 Archives shall be deemed to be an institution of higher education
3 within the meaning of § 23-9.2;

4 ~~(3)~~-3. To purchase and maintain a general collection of books,
5 periodicals, newspapers, maps, films, audiovisual materials and other
6 materials for the use of the people of the Commonwealth as a means for
7 the promotion of knowledge within the Commonwealth. The scope of the
8 Library and Archives' collections shall be determined by the Library
9 Board on recommendation of the State Librarian, and, in making these
10 decisions, the Board and Librarian shall take into account the book
11 collections of public libraries and college and university libraries
12 throughout the Commonwealth and the availability of such collections
13 to the general public. The Board shall make available for circulation
14 to libraries or to the public such of its materials as it deems
15 advisable;

16 ~~(4)~~-4. To give assistance, advice and counsel to other agencies
17 of the Commonwealth maintaining libraries and special reference
18 collections as to the best means of establishing and administering
19 such libraries and collections. It may establish in the State Library
20 and Archives a union catalogue of all books, pamphlets and other
21 materials owned and used for reference purposes by all other agencies
22 of the Commonwealth and of all books, pamphlets and other materials
23 maintained by libraries in the Commonwealth which are of interest to
24 the people of the whole Commonwealth;

25 ~~(5)~~-5. To fix reasonable penalties for damage to or failure to
26 return any book, periodical or other material owned by the Library and
27 Archives, or for violation of any rule or regulation concerning the
28 use of books, periodicals, and other materials in custody of the

1 Library and Archives;

2 ~~(6)~~-6. To give direction, assistance and counsel to all
3 libraries in the Commonwealth, to all communities which may propose to
4 establish libraries, and to all persons interested in public
5 libraries, as to means of establishment and administration of such
6 libraries, selection of books, retrieval systems, cataloguing,
7 maintenance, and other details of library management, and to conduct
8 such inspections as are necessary;

9 ~~(7)~~-7. To engage in such activities in aid of city, county,
10 town, regional and other public libraries as will serve to develop the
11 library system of the Commonwealth;

12 ~~(8)~~-8. To administer and distribute state and federal library
13 funds in accordance with law and its own regulations to the city,
14 county, town and regional libraries of the Commonwealth; and-

15 ~~(9)~~-9. To enter into contracts with other states or regions or
16 districts for the purpose of providing cooperative library services
17 ; and

18 10. To establish a State Planning Library, with the assistance
19 of the Department of Planning and Budget, Division of Planning, to be
20 a repository for all planning documents of the Commonwealth and its
21 governmental subdivisions.

22 Wherever in this title and the Code of Virginia the terms "State
23 Library" or "Library" appear referring to the Virginia State Library,
24 they shall mean the Virginia State Library and Archives.

25 2. That § 36-140 of the Code of Virginia is repealed.

26 3. That the amendments to § 15.1-464 made by this Act shall become
27 effective July 1, 1999.

28 THIS ACT IS EFFECTIVE JULY 1, 1994.



**FOUR TAX PROPOSALS
FOR THE
INFRASTRUCTURE AND
PLANNING ASSISTANCE FUND**

2 SENATE BILL NO. HOUSE BILL NO.

3 A BILL to amend and reenact §§ 58.1-603, 58.1-604, 58.1-627, 58.1-628
4 and 58.1-638 of the Code of Virginia, relating to increasing the
5 sales and use tax by one-half percent; the disposition of sales
6 and use tax revenue; and the creation of the Infrastructure and
7 Planning Assistance Fund.

8

9 Be it enacted by the General Assembly of Virginia:

10 1. That §§ 58.1-603, 58.1-604, 58.1-627, 58.1-628 and 58.1-638 of the
11 Code of Virginia are amended and reenacted as follows:

12 § 58.1-603. Imposition of sales tax.--There is hereby levied and
13 imposed, in addition to all other taxes and fees of every kind now
14 imposed by law, a license or privilege tax upon every person who
15 engages in the business of selling at retail or distributing tangible
16 personal property in this Commonwealth, or who rents or furnishes any
17 of the things or services taxable under this chapter, or who stores
18 for use or consumption in this Commonwealth any item or article of
19 tangible personal property as defined in this chapter, or who leases
20 or rents such property within this Commonwealth, in the amount of
21 ~~three-and-one-half~~four percent:

22 1. Of the gross sales price of each item or article of tangible
23 personal property when sold at retail or distributed in this
24 Commonwealth.

25 2. Of the gross proceeds derived from the lease or rental of
26 tangible personal property, where the lease or rental of such property
27 is an established business, or part of an established business, or the

1 same is incidental or germane to such business.

2 3. Of the cost price of each item or article of tangible personal
3 property stored in this Commonwealth for use or consumption in this
4 Commonwealth.

5 4. Of the gross proceeds derived from the sale or charges for
6 rooms, lodgings or accommodations furnished to transients as set out
7 in the definition of "retail sale" in § 58.1-602.

8 5. Of the gross sales of any services which are expressly stated
9 as taxable within this chapter.

10 § 58.1-604. Imposition of use tax.--There is hereby levied and
11 imposed, in addition to all other taxes and fees now imposed by law, a
12 tax upon the use or consumption of tangible personal property in this
13 Commonwealth, or the storage of such property outside the Commonwealth
14 for use or consumption in this Commonwealth, in the amount of ~~three-~~
15 ~~and-one-half-~~four percent:

16 1. Of the cost price of each item or article of tangible persona
17 property used or consumed in this Commonwealth. Tangible personal
18 property which has been acquired for use outside this Commonwealth and
19 subsequently becomes subject to the tax imposed hereunder shall be
20 taxed on the basis of its cost price if such property is brought
21 within this Commonwealth for use within six months of its acquisition;
22 but if so brought within this Commonwealth six months or more after
23 its acquisition, such property shall be taxed on the basis of the
24 current market value (but not in excess of its cost price) of such
25 property at the time of its first use within this Commonwealth. Such
26 tax shall be based on such proportion of the cost price or current
27 market value as the duration of time of use within this Commonwealth
28 bears to the total useful life of such property (but it shall be

1 presumed in all cases that such property will remain within this
2 Commonwealth for the remainder of its useful life unless convincing
3 evidence is provided to the contrary).

4 2. Of the cost price of each item or article of tangible personal
5 property stored outside this Commonwealth for use or consumption in
6 this Commonwealth.

7 3. A transaction taxed under § 58.1-603 shall not also be taxed
8 under this section, nor shall the same transaction be taxed more than
9 once under either section.

10 4. The use tax shall not apply with respect to the use of any
11 article of tangible personal property brought into this Commonwealth
12 by a nonresident individual, visiting in Virginia, for his personal
13 use, while within this Commonwealth.

14 § 58.1-627. Bracket system for tax at rate of four percent.--The
15 following brackets of prices shall be used for the collection of the
16 tax imposed by this chapter:

17	\$0.00		to	\$0.14		no tax
18	.15		to	.42-	<u>.34</u>	1¢ tax
19	.43-	<u>.35</u>	to	.71-	<u>.59</u>	2¢ tax
20	.72-	<u>.60</u>	to	.99-	<u>.84</u>	3¢ tax
21	1-00-	<u>.85</u>	to	1-28-	<u>1.14</u>	4¢ tax
22	1-29-	<u>1.15</u>	to	1-57-	<u>1.34</u>	5¢ tax
23	1-58-	<u>1.35</u>	to	1-85-	<u>1.59</u>	6¢ tax
24	1-86-	<u>1.60</u>	to	2-14-	<u>1.84</u>	7¢ tax
25	2-15-	<u>1.85</u>	to	2-42-	<u>2.14</u>	8¢ tax
26	2-43-	<u>2.15</u>	to	2-71-	<u>2.34</u>	9¢ tax
27	2-72-	<u>2.35</u>	to	2-99-	<u>2.59</u>	10¢ tax
28	3-00-	<u>2.60</u>	to	3-28-	<u>2.84</u>	11¢ tax

1	3-29-	<u>2.85</u>	to	3-57-	<u>3.14</u>	12¢ tax
2	3-58-	<u>3.15</u>	to	3-85-	<u>3.34</u>	13¢ tax
3	3-86-	<u>3.35</u>	to	4-14-	<u>3.59</u>	14¢ tax
4	4-15-	<u>3.60</u>	to	4-42-	<u>3.84</u>	15¢ tax
5	4-43-	<u>3.85</u>	to	4-71-	<u>4.14</u>	16¢ tax
6	4-72-	<u>4.15</u>	to	5-00-	<u>4.34</u>	17¢ tax
7		<u>4.35</u>	to		<u>4.59</u>	18¢ tax
8		<u>4.60</u>	to		<u>4.84</u>	19¢ tax
9		<u>4.85</u>	to		<u>5.00</u>	20¢ tax

10 On transactions over five dollars, the tax shall be computed at
11 ~~three-and-one-half-four~~ percent, one-half cent or more being treated
12 as one cent. If a dealer can show to the satisfaction of the Tax
13 Commissioner that more than eighty-five percent of the total dollar
14 volume of his gross taxable sales during the taxable month was from
15 individual sales at prices of ~~ten-fourteen~~ cents or less each, and
16 that he was unable to adjust his prices in such manner as to preven'
17 the economic incidence of the sales tax from falling on him, the Tax
18 Commissioner shall determine the proper tax liability of the dealer
19 based on that portion of the dealer's gross taxable sales which was
20 from sales at prices of ~~eleven-fifteen~~ cents or more.

21 § 58.1-628. Bracket system for combined state and local
22 tax.--The following brackets of prices shall be used for the
23 collection of the combined state and local tax:

24	\$0.00		to	\$0-11-	<u>\$0.09</u>	no	tax
25	-12-	<u>.10</u>	to	-33-	<u>.29</u>	1¢	tax
26	-34-	<u>.30</u>	to	-55-	<u>.49</u>	2¢	tax
27	-56-	<u>.50</u>	to	-77-	<u>.69</u>	3¢	tax
28	-78-	<u>.70</u>	to	-99-	<u>.89</u>	4¢	tax

1	1-00-	<u>.90</u>	to	1-22-	<u>1.09</u>	5¢	tax
2	1-23-	<u>1.10</u>	to	1-44-	<u>1.29</u>	6¢	tax
3	1-45-	<u>1.30</u>	to	1-66-	<u>1.49</u>	7¢	tax
4	1-67-	<u>1.50</u>	to	1-88-	<u>1.69</u>	8¢	tax
5	1-89-	<u>1.70</u>	to	2-11-	<u>1.89</u>	9¢	tax
6	2-12-	<u>1.90</u>	to	2-33-	<u>2.09</u>	10¢	tax
7	2-34-	<u>2.10</u>	to	2-55-	<u>2.29</u>	11¢	tax
8	2-56-	<u>2.30</u>	to	2-77-	<u>2.49</u>	12¢	tax
9	2-78-	<u>2.50</u>	to	2-99-	<u>2.69</u>	13¢	tax
10	3-00-	<u>2.70</u>	to	3-22-	<u>2.89</u>	14¢	tax
11	3-23-	<u>2.90</u>	to	3-44-	<u>3.09</u>	15¢	tax
12	3-45-	<u>3.10</u>	to	3-66-	<u>3.29</u>	16¢	tax
13	3-67-	<u>3.30</u>	to	3-88-	<u>3.49</u>	17¢	tax
14	3-89-	<u>3.50</u>	to	4-11-	<u>3.69</u>	18¢	tax
15	4-12-	<u>3.70</u>	to	4-33-	<u>3.89</u>	19¢	tax
16	4-34-	<u>3.90</u>	to	4-55-	<u>4.09</u>	20¢	tax
17	4-56-	<u>4.10</u>	to	4-77-	<u>4.29</u>	21¢	tax
18	4-78-	<u>4.30</u>	to	5-00-	<u>4.49</u>	22¢	tax

19 On transactions over five dollars, the tax shall be computed at
20 ~~four-and-one-half-five~~ five percent, one half cent or more being treated
21 as one cent. The foregoing bracket system shall not relieve the dealer
22 from the duty and liability to remit an amount equal to four and
23 one-half percent of his gross taxable sales as provided in this
24 chapter. If the dealer, however, can show to the satisfaction of the
25 Tax Commissioner that more than eighty-five percent of the total
26 dollar volume of his gross taxable sales during the taxable month was
27 from individual sales at prices of ~~ten-nine~~ nine cents or less each and
28 that he was unable to adjust his prices in such manner as to prevent

1 the economic incidence of the sales tax from falling on him, the Tax
2 Commissioner shall determine the proper tax liability of the dealer
3 based on that portion of the dealer's gross taxable sales which was
4 from sales at prices of ~~eleven~~-ten cents or more.

5 § 58.1-638. Disposition of state sales and use tax revenue;
6 localities' share.--A. The Comptroller shall designate a specific
7 revenue code number for all the state sales and use tax revenue
8 collected under the preceding sections of this chapter.

9 1. The sales and use tax revenue generated by the one-half
10 percent sales and use tax increase enacted by the 1986 Special Session
11 of the General Assembly shall be paid, in the manner hereinafter
12 provided in this section, to the Transportation Trust Fund as defined
13 in § 33.1-23.03:1. Of the funds paid to the Transportation Trust Fund,
14 an aggregate of 4.2 percent shall be set aside as the Commonwealth
15 Port Fund as hereinafter provided; an aggregate of 2.4 percent shall
16 be set aside as the Commonwealth Airport Fund as hereinafter provided;
17 and an aggregate of 8.4 percent shall be set aside as the Commonwealth
18 Mass Transit Fund as hereinafter provided. The Fund's share of such
19 net revenue shall be computed as an estimate of the net revenue to be
20 received into the state treasury each month, and such estimated
21 payment shall be adjusted for the actual net revenue received in the
22 preceding month. All payments shall be made to the Fund on the last
23 day of each month.

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

27 a. The Commonwealth Port Fund shall be established on the books
28 of the Comptroller and the funds remaining in such Fund at the end of

1 a biennium shall not revert to the general fund but shall remain in
2 the Fund. Interest earned on such funds shall remain in the Fund and
3 be credited to it. Funds may be paid to any authority, locality, or
4 commission for the purposes hereinafter specified.

5 b. The amounts allocated pursuant to this section shall be
6 allocated by the Commonwealth Transportation Board to the Board of
7 Commissioners of the Virginia Port Authority to be used to support
8 port capital needs and the preservation of existing capital needs of
9 all ocean, river, or tributary ports within the Commonwealth.

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

15 3. There is hereby created in the Department of the Treasury a
16 special nonreverting fund which shall be part of the Transportation
17 Trust Fund and which shall be known as the Commonwealth Airport Fund.
18 The Commonwealth Airport Fund shall be established on the books of the
19 Comptroller and any funds remaining in such Fund at the end of a
20 biennium shall not revert to the general fund but shall remain in the
21 Fund. Interest earned on the funds shall be credited to the Fund. The
22 funds so allocated shall be allocated by the Commonwealth
23 Transportation Fund to the Virginia Aviation Board. The funds shall be
24 allocated by the Virginia Aviation Board to any Virginia airport which
25 is owned by the Commonwealth, a governmental subdivision thereof, a
26 governmental authority created by an interstate compact or by the
27 federal government, or a private entity to which the public has access
28 for the purposes enumerated in § 5.1-2.16 as follows:

1 a. Forty percent of the funds shall be allocated to air carrier
2 airports based upon the percentage of enplanements for each airport to
3 total enplanements at air carrier airports. No air carrier airport,
4 however, shall receive less than \$50,000 nor more than \$2 million per
5 year from this provision; provided, that commencing on July 1, 1991, a
6 maximum of \$1 million shall be allocated each year through June 30,
7 2021, subject to appropriation by the General Assembly for the benefit
8 of any aircraft hangar, maintenance and operations facilities at
9 Washington Dulles International Airport for payment in whole or in
10 part of obligations incurred pursuant to subdivision 11 of § 33.1-269,
11 and to fund projects as defined in § 33.1-268 (2) (s) and for the
12 payment of debt service for bonds issued by the Commonwealth
13 Transportation Board pursuant to subdivision 4a of § 33.1-269.

14 b. Forty percent of the funds shall be allocated by the Aviation
15 Board for air carrier and reliever airports on a discretionary basis;
16 provided, that commencing July 1, 1991, a maximum of \$1 million shall
17 be allocated each year through June 30, 2021, subject to appropriation
18 by the General Assembly for payment in whole or in part of obligations
19 incurred pursuant to subdivision 11 of § 33.1-269 to finance, in part,
20 any aircraft hangar, maintenance and operations facilities, or other
21 improvements at Washington Dulles International Airport, and to fund
22 projects as defined in § 33.1-268 (2) (s) and for the payment of debt
23 service for bonds issued by the Commonwealth Transportation Board
24 pursuant to subdivision 4a of § 33.1-269.

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

27 4. There is hereby created in the Department of the Treasury a
28 special nonreverting fund which shall be a part of the Transportation

1 Trust Fund and which shall be known as the Commonwealth Mass Transit
2 Fund.

3 a. The Commonwealth Mass Transit Fund shall be established on the
4 books of the Comptroller and any funds remaining in such Fund at the
5 end of the biennium shall not revert to the general fund but shall
6 remain in the Fund. Interest earned on such funds shall be credited to
7 the Fund. Funds may be paid to any local governing body,
8 transportation district commission or public service corporation for
9 the purposes hereinafter specified.

10 b. The amounts allocated pursuant to this section may be used to
11 support a maximum of fifty percent of the public transportation
12 administrative costs and up to eighty percent of the costs of
13 ridesharing programs borne by the locality. These amounts may be used
14 to support up to ninety-five percent of the local or nonfederal share
15 of capital project costs for public transportation and ridesharing
16 equipment, facilities, and associated costs. Capital costs may include
17 debt service payments on local or agency transit bonds. Further,
18 these amounts may be used to support a maximum of ninety-five percent
19 of the costs borne by the locality for the purchase of fuels,
20 lubricants, tires and maintenance parts and supplies for public
21 transportation. The term "borne by the locality" shall mean the local
22 share eligible for state assistance consisting of costs in excess of
23 the sum of fares and other operating revenues plus federal assistance
24 received by the locality.

25 c. Commonwealth Mass Transit Fund revenue shall be allocated by
26 the Commonwealth Transportation Board as follows:

27 (1) Funds for special programs, which shall include ridesharing,
28 experimental transit, and technical assistance, shall not exceed 1.5

1 percent of the Fund.

2 (2) The Board may allocate these funds to any locality or
3 planning district commission to finance up to eighty percent of the
4 local share of all costs associated with the development,
5 implementation, and continuation of ridesharing programs.

6 (3) Funds allocated for experimental transit projects may be paid
7 to any local governing body, transportation district commission, or
8 public corporation or may be used directly by the Department of Rail
9 and Public Transportation for the following purposes:

10 (a) To finance up to ninety-five percent of the capital costs
11 related to the development, implementation and promotion of
12 experimental public transportation and ridesharing projects approved
13 by the Board.

14 (b) To finance up to ninety-five percent of the operating costs
15 of experimental mass transportation and ridesharing projects approved
16 by the Board for a period of time not to exceed twelve months.

17 (c) To finance up to ninety-five percent of the cost of the
18 development and implementation of any other project designated by the
19 Board where the purpose of such project is to enhance the provision
20 and use of public transportation services.

21 d. Funds allocated for public transportation promotion and
22 operation studies may be paid to any local governing body, planning
23 district commission, transportation district commission, or public
24 transit corporation, or may be used directly by the Department of Rail
25 and Public Transportation for the following purposes and aid of public
26 transportation services:

27 (1) At the approval of the Board to finance a program
28 administered by the Department of Rail and Public Transportation

1 designed to promote the use of public transportation and ridesharing
2 throughout Virginia.

3 (2) To finance up to fifty percent of the local share of public
4 transportation operations planning and technical study projects
5 approved by the Board.

6 e. At least 73.5 percent of the Fund shall be distributed to each
7 transit property in the same proportion as its operating expenses bear
8 to the total statewide operating expenses and shall be spent for the
9 purposes specified in subdivision 4 b.

10 f. The remaining twenty-five percent shall be distributed for
11 capital purposes on the basis of ninety-five percent of the nonfederal
12 share for federal projects and ninety-five percent of the total costs
13 for nonfederal projects. In the event that total capital funds
14 available under this paragraph are insufficient to fund the complete
15 list of eligible projects, the funds shall be distributed to each
16 transit property in the same proportion that such capital expenditure
17 bears to the statewide total of capital projects.

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

23 a. Local payments of WMATA rail transit bonds shall be paid first
24 and apportioned to each locality using the WMATA capital formula.

25 b. The remaining funds shall be apportioned by calculating
26 twenty-five percent of the capital and operating costs and
27 seventy-five percent of the capital and operating subsidies applied to
28 each locality. Capital costs may include twenty percent of annual

1 local bus capital expenses.

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

5 6. The sales and use tax revenue generated by the one-half
6 percent sales and use tax increase enacted by the 1993 Session of the
7 General Assembly shall be paid to a special fund, hereby designated as
8 the Infrastructure and Planning Assistance Fund (the "Infrastructure
9 Fund"). The Infrastructure Fund shall be administered by a division
10 of the Department of Planning and Budget to be known as the Division
11 of Planning.

12 a. Disbursements from the Infrastructure Fund shall be made on a
13 matching grant basis to local governments with comprehensive plans
14 recognized by the Department of Planning and Budget. The match
15 formula shall be prescribed in regulations promulgated by said
16 Department. Matching funds, in accordance with such formula, shall be
17 made available for the planning and construction of projects in one or
18 more of the following areas: waste management, public education,
19 transportation, water and sewer, stormwater management, water supply
20 development, and the acquisition of land or interest in land for
21 natural resource and open space protection and the development of
22 recreational areas.

23 b. The revision of comprehensive plans to satisfy criteria for
24 recognition shall be eligible for matching grants.

25 B. The sales and use tax revenue generated by a one percent sales
26 and use tax shall be distributed among the counties and cities of this
27 Commonwealth in the manner hereafter in this section provided.

28 C. The localities' share of the net revenue distributable under

1 this section among the counties and cities shall be apportioned by the
2 Comptroller and distributed among them by warrants of the Comptroller
3 drawn on the Treasurer of Virginia as soon as practicable after the
4 close of each month during which the net revenue was received into the
5 state treasury. The distribution of the localities' share of such net
6 revenue shall be computed with respect to the net revenue received
7 into the state treasury during each month, and such distribution shall
8 be made as soon as practicable after the close of each such month.

9 D. The net revenue so distributable among the counties and cities
10 shall be apportioned and distributed upon the basis as certified to
11 the Comptroller by the Department of Education, of the number of
12 children in each county and city according to the most recent
13 statewide census of school population taken by the Department of
14 Education pursuant to § 22.1-284, as adjusted in the manner
15 hereinafter provided. No special school population census, other than
16 a statewide census, shall be used as the basis of apportionment and
17 distribution except that in any calendar year in which a statewide
18 census is not reported, the Department of Education shall adjust such
19 school population figures by the same percent of annual change in
20 total population estimated for each locality by the Center for Public
21 Service. The revenue so apportionable and distributable is hereby
22 appropriated to the several counties and cities for maintenance,
23 operation, capital outlays, debt and interest payments, or other
24 expenses incurred in the operation of the public schools, which shall
25 be considered as funds raised from local resources. In any county,
26 however, wherein is situated any incorporated town constituting a
27 school division, the county treasurer shall pay into the town treasury
28 for maintenance, operation, capital outlays, debt and interest

1 payments, or other expenses incurred in the operation of the public
2 schools, the proper proportionate amount received by him in the ratio
3 that the school population of such town bears to the school population
4 of the entire county. If the school population of any city or of any
5 town constituting a school division is increased by the annexation of
6 territory since the last preceding school population census, such
7 increase shall, for the purposes of this section, be added to the
8 school population of such city or town as shown by the last such
9 census and a proper reduction made in the school population of the
10 county or counties from which the annexed territory was acquired.

11 E. If errors are made in any distribution, or adjustments are
12 otherwise necessary, the errors shall be corrected and adjustments
13 made in the distribution for the next quarter or for subsequent
14 quarters.

15 F. The term "net revenue," as used in this section, means the
16 gross revenue received into the general fund or the Transportation
17 Trust Fund of the state treasury under the preceding sections of this
18 chapter, less refunds to taxpayers.

19 #

2 SENATE BILL NO. HOUSE BILL NO.

3 A BILL to amend the Code of Virginia by adding in Chapter 17 of Title
4 58.1 an article numbered 4.1, consisting of sections numbered
5 58.1-1724.2 through 58.1-1724.7, relating to a sales tax on motor
6 fuels in certain jurisdictions.

7
8 Be it enacted by the General Assembly of Virginia:

9 1. That the Code of Virginia is amended by adding in Chapter 17 of
10 Title 58.1 an article numbered 4.1, consisting of sections numbered
11 58.1-1724.2 through 58.1-1724.7, as follows:

12 Article 4.1.

13 Motor Vehicle Fuel Sales Tax in Certain Jurisdictions.

14 § 58.1-1724.2. Rules and regulations; bracket system.--The Tax
15 Commissioner shall promulgate rules and regulations for the
16 registration of dealers and the procedures for filing returns for the
17 payment of the tax imposed pursuant to this article. Such regulations
18 shall include provisions for a bracket system, designed so that the
19 tax will appear on the fuel pump as a part of the total cost of a unit
20 of fuel, whether the unit is a gallon or other measure. The bracket
21 system shall state the tax per unit measure in tenths of a cent and
22 shall be in increments of no more than two and one-half cents.

23 § 58.1-1724.3. Sales tax on fuel in certain jurisdictions.--A.
24 There is hereby levied, in addition to all other taxes imposed on
25 fuels subject to tax under Chapter 21 of this title, in every county
26 or city a sales tax of two percent of the retail price of such fuels

1 sold within such county or city. As used in this section, "retail
2 sale" means a sale to a consumer or to any person for any purpose
3 other than resale.

4 B. The tax imposed under this section shall be subject to the
5 provisions of the Virginia Retail Sales and Use Tax Act (§ 58.1-600 et
6 seq.), except that the exemption provided for motor vehicle fuels
7 under § 58.1-609, and the bracket system provided in such act, shall
8 not be applicable.

9 § 58.1-1724.4. Exclusion from professional license tax.--The
10 amount of the tax imposed by this article and collected by a dealer in
11 any taxable year shall be excluded from gross receipts for purposes of
12 any tax imposed under Chapter 37 (§ 58.1-3700 et seq.) of Title 58.1.

13 § 58.1-1724.5. Refund of motor vehicle fuel sales tax.--Anyone
14 who purchases fuel (i) that is taxed under the provisions of §
15 58.1-1720 and (ii) upon which a refund is granted for motor fuel taxes
16 paid pursuant to the provisions of Article 2 (§ 58.1-2104 et seq.) and
17 Article 3 (§ 58.1-2115 et seq.) of Chapter 21 of Title 58.1 may file a
18 claim for a refund of taxes paid under this article within thirty days
19 after receipt of a refund under the above chapters on forms and under
20 regulations adopted by the Department of Taxation.

21 § 58.1-1724.6. Disposition of tax revenues.--A. All taxes paid
22 to the Commissioner pursuant to this article, after subtraction of the
23 direct costs of administration by the Department, shall be deposited
24 in a special fund entitled the "Special Fund Account of the
25 Infrastructure and Planning Assistance Fund (the "Infrastructure
26 Fund"). The amounts deposited in the special fund shall be
27 distributed monthly. The direct costs of administration shall be
28 credited to the funds appropriated to the Department.

2 SENATE BILL NO. HOUSE BILL NO.

3 A BILL to amend and reenact §§ 58.1-605, 58.1-606 and 58.1-638 of the
4 Code of Virginia and to amend the Code of Virginia by adding a
5 section numbered 58.1-628.1, relating to localities' authority to
6 impose local option sales taxes if dedicated to infrastructure
7 needs.

8

9 Be it enacted by the General Assembly of Virginia:

10 1. That §§ 58.1-605, 58.1-606 and 58.1-638 of the Code of Virginia
11 are amended and reenacted and that the Code of Virginia is amended by
12 adding a section numbered 58.1-628.1 as follows:

13 § 58.1-605. To what extent and under what conditions cities and
14 counties may levy local sales taxes; collection thereof by
15 Commonwealth and return of revenue to each city or county entitled
16 thereto.--A. No county, city or town shall impose any local general
17 sales or use tax or any local general retail sales or use tax except
18 as authorized by this section.

19 B. The council of any city and the governing body of any county
20 may levy a general retail sales tax at the rate of one percent to
21 provide revenue for the general fund of such city or county. Such tax
22 shall be added to the rate of the state sales tax imposed by §§
23 58.1-603 and 58.1-604 and shall be subject to all the provisions of
24 this chapter and the rules and regulations published with respect
25 thereto. The applicable brackets of prices shall be as prescribed in §
26 58.1-628 for the combined state and local tax. No discount under §
27 58.1-622 shall be allowed on a local sales tax.

1 C. In addition to the tax authorized under subsection B, the
2 council of any city and the governing body of any county whose plan
3 has been recognized by the Department of Planning and Budget, Division
4 of Planning, pursuant to regulations promulgated to establish and
5 administer the Infrastructure and Planning Assistance Fund (the
6 "Infrastructure Fund") may levy a retail sales tax at the rate of one
7 percent to provide revenue for the building of infrastructure projects
8 in such city or county. Such tax shall be added to the rate of the
9 state sales tax imposed by §§ 58.1-603 and 58.1-604 and shall be
10 subject to all the provisions of this chapter and the rules and
11 regulations published with respect thereto. The applicable brackets
12 of prices shall be prescribed in regulations as provided in §
13 58.1-628.1. No discount under § 58.1-622 shall be allowed on a local
14 sales tax.

15 E---D. The council of any city and the governing body of any
16 county desiring to impose a local sales tax under this section may do
17 so by the adoption of an ordinance stating its purpose and referring
18 to this section, and providing that such ordinance shall be effective
19 on the first day of a month at least sixty days after its adoption. A
20 certified copy of such ordinance shall be forwarded to the Tax
21 Commissioner so that it will be received within five days after its
22 adoption.

23 E---E. Any local sales tax levied under this section shall be
24 administered and collected by the Tax Commissioner in the same manner
25 and subject to the same penalties as provided for the state sales tax,
26 with the adjustments required by § 58.1-628.

27 E---F. All local sales tax moneys collected by the Tax
28 Commissioner under this section shall be paid into the state treasury

1 to the credit of a special fund which is hereby created on the
2 Comptroller's books under the name "Collections of Local Sales Taxes."
3 Such local sales tax moneys shall be credited to the account of each
4 particular city or county levying a local sales tax under this
5 section. The basis of such credit shall be the city or county in which
6 the sales were made as shown by the records of the Department and
7 certified by it monthly to the Comptroller, namely, the city or county
8 of location of each place of business of every dealer paying the tax
9 to the Commonwealth without regard to the city or county of possible
10 use by the purchasers. If a dealer has any place of business located
11 in more than one political subdivision by reason of the boundary line
12 or lines passing through such place of business, the amount of sales
13 tax paid by such a dealer with respect to such place of business shall
14 be treated for the purposes of this section as follows: one-half shall
15 be assignable to each political subdivision where two are involved,
16 one-third where three are involved, and one-fourth where four are
17 involved.

18 F---G. As soon as practicable after the local sales tax moneys
19 have been paid into the state treasury in any month for the preceding
20 month, the Comptroller shall draw his warrant on the Treasurer of
21 Virginia in the proper amount in favor of each city or county entitled
22 to the monthly return of its local sales tax moneys, and such payments
23 shall be charged to the account of each such city or county under the
24 special fund created by this section. If errors are made in any such
25 payment, or adjustments are otherwise necessary, whether attributable
26 to refunds to taxpayers, or to some other fact, the errors shall be
27 corrected and adjustments made in the payment for the next month or
28 for subsequent months.

1 G---H. Such payments to counties are subject to the
2 qualification that in any county wherein is situated any incorporated
3 town constituting a special school district and operated as a separate
4 school district under a town school board of three members appointed
5 by the town council, the county treasurer shall pay into the town
6 treasury for general governmental purposes the proper proportionate
7 amount received by him in the ratio that the school age population of
8 such town bears to the school age population of the entire county. If
9 the school age population of any town constituting a separate school
10 district is increased by the annexation of territory since the last
11 preceding school age population census, such increase shall, for the
12 purposes of this section, be added to the school age population of
13 such town as shown by the last such census and a proper reduction made
14 in the school age population of the county or counties from which the
15 annexed territory was acquired. The additional sales tax permitted
16 under subsection C shall not be subject to this subsection H.

17 H---I. One-half of such payments to counties are subject to the
18 further qualification, other than as set out in subsection G-H above,
19 that in any county wherein is situated any incorporated town not
20 constituting a separate special school district which has complied
21 with its charter provisions providing for the election of its council
22 and mayor for a period of at least four years immediately prior to the
23 adoption of the sales tax ordinance, the county treasurer shall pay
24 into the town treasury of each such town for general governmental
25 purposes the proper proportionate amount received by him in the ratio
26 that the school age population of each such town bears to the school
27 age population of the entire county, based on the latest statewide
28 school census. The preceding requirement pertaining to the time

1 interval between compliance with election provisions and adoption of
2 the sales tax ordinance shall not apply to a tier-city. If the school
3 age population of any such town not constituting a separate special
4 school district is increased by the annexation of territory or
5 otherwise since the last preceding school age population census, such
6 increase shall, for the purposes of this section, be added to the
7 school age population of such town as shown by the last such census
8 and a proper reduction made in the school age population of the county
9 or counties from which the annexed territory was acquired. The
10 additional sales tax permitted under subsection C shall not be subject
11 to this subsection I.

12 F--J. Notwithstanding the provisions of subsection H-I, the
13 board of supervisors of a county may, in its discretion, appropriate
14 funds to any incorporated town not constituting a separate school
15 district within such county which has not complied with the provisions
16 of its charter relating to the elections of its council and mayor, an
17 amount not to exceed the amount it would have received from the tax
18 imposed by this chapter if such election had been held. The
19 additional sales tax permitted under subsection C shall not be subject
20 to this subsection J.

21 G--K. It is further provided that if any incorporated town
22 which would otherwise be eligible to receive funds from the county
23 treasurer under subsection G-H or H-I of this section be located in
24 a county which does not levy a general retail sales tax under the
25 provisions of this law, such town may levy a general retail sales tax
26 at the rate of one percent to provide revenue for the general fund of
27 the town, subject to all the provisions of this section generally
28 applicable to cities and counties. Any tax levied under the authority

1 of this paragraph shall in no case continue to be levied on or after
2 the effective date of a county ordinance imposing a general retail
3 sales tax in the county within which such town is located.

4 § 58.1-606. To what extent and under what conditions cities and
5 counties may levy local use tax; collection thereof by Commonwealth
6 and return of revenues to the cities and counties.--A. 1. The
7 council of any city and the governing body of any county which has
8 levied or may hereafter levy a city or county sales tax under §
9 58.1-605 may levy a city or county use tax at the rate of one percent
10 to provide revenue for the general fund of such city or county. Such
11 tax shall be added to the rate of the state use tax imposed by this
12 chapter and shall be subject to all the provisions of this chapter,
13 and all amendments thereof, and the rules and regulations published
14 with respect thereto, except that the applicable brackets of prices
15 shall be as prescribed in § 58.1-628 for the combined state and local
16 tax, and except that no discount under § 58.1-622 shall be allowed on
17 a local use tax.

18 2. In addition to the tax authorized under subdivision 1 of this
19 subsection, the council of any city and the governing body of any
20 county whose plan has been approved by the Department of Planning and
21 Budget, Division of Planning, pursuant to the regulations promulgated
22 to establish and administer the Infrastructure Fund may levy a use tax
23 at the rate of one percent to provide revenue for the building of
24 infrastructure projects in such city or county.

25 B. The council of any city and the governing body of any county
26 desiring to impose a local use tax under this section may do so in the
27 manner following:

28 1. If the city or county has previously imposed the local sales

1 tax authorized by § 58.1-605, the local use tax may be imposed by the
2 council or governing body by the adoption of a resolution by a
3 majority of all the members thereof, by a recorded yea and nay vote,
4 stating its purpose and referring to this section, and providing that
5 the local use tax shall become effective on the first day of a month
6 at least sixty days after the adoption of the resolution. A certified
7 copy of such resolution shall be forwarded to the Tax Commissioner so
8 that it will be received within five days after its adoption. The
9 resolution authorized by this paragraph may be adopted in the manner
10 stated notwithstanding any other provision of law, including any
11 charter provision.

12 2. If the city or county has not imposed the local sales tax
13 authorized by § 58.1-605, the local use tax may be imposed by
14 ordinance together with the local sales tax in the manner set out in
15 subsections B ~~and E~~, C and D of § 58.1-605.

16 C. Any local use tax levied under this section shall be
17 administered and collected by the Tax Commissioner in the same manner
18 and subject to the same penalties as provided for the state use tax,
19 with the adjustments required by § 58.1-628.

20 D. The local use tax authorized by this section shall not apply
21 to transactions to which the sales tax applies, the situs of which for
22 state and local sales tax purposes is the city or county of location
23 of each place of business of every dealer paying the tax to the
24 Commonwealth without regard to the city or county of possible use by
25 the purchasers. However, the local use tax authorized by this section
26 shall apply to tangible personal property purchased without this
27 Commonwealth for use or consumption within the city or county imposing
28 the local use tax, or stored within the city or county for use or

1 consumption, where the property would have been subject to the sales
2 tax if it had been purchased within this Commonwealth. The local use
3 tax shall also apply to leases or rentals of tangible personal
4 property where the place of business of the lessor is without this
5 Commonwealth and such leases or rentals are subject to the state tax.
6 Moreover, the local use tax shall apply in all cases in which the
7 state use tax applies.

8 E. Out-of-state dealers who hold certificates of registration to
9 collect the use tax from their customers for remittance to this
10 Commonwealth shall, to the extent reasonably practicable, in filing
11 their monthly use tax returns with the Tax Commissioner, break down
12 their shipments into this Commonwealth by cities and counties so as to
13 show the city or county of destination. If, however, the out-of-state
14 dealer is unable accurately to assign any shipment to a particular
15 city or county, the local use tax on the tangible personal property
16 involved shall be remitted to the Commonwealth by such dealer without
17 attempting to assign the shipment to any city or county.

18 F. Local use tax revenue shall be distributed among the cities
19 and counties for which it is collected, respectively, as shown by the
20 records of the Department, and the procedure shall be the same as that
21 prescribed for distribution of local sales tax revenue under §
22 58.1-605. The local use tax revenue that is not accurately assignable
23 to a particular city or county shall be distributed monthly by the
24 appropriate state authorities among the cities and counties in this
25 Commonwealth imposing the local use tax upon the basis of taxable
26 retail sales in the respective cities and counties in which the local
27 sales and use tax was in effect in the taxable month involved, as
28 shown by the records of the Department, and computed with respect to

1 taxable retail sales as reflected by the amounts of the local sales
2 tax revenue distributed among such cities and counties, respectively,
3 in the month of distribution.

4 G. All local use tax revenue shall be used, applied or disbursed
5 by the cities and counties as provided in § 58.1-605 with respect to
6 local sales tax revenue.

7 § 58.1-628.1. Bracket system for combined state and local tax
8 for certain jurisdictions.--The brackets of prices to be used for the
9 collection of the combined state and local tax by dealers doing
10 business in jurisdictions which have adopted the additional one
11 percent tax increase enacted by the 1993 Regular Session of the
12 General Assembly shall be provided through regulations published by
13 the Commissioner.

14 § 58.1-638. Disposition of state sales and use tax revenue;
15 localities' share.--A. The Comptroller shall designate a specific
16 revenue code number for all the state sales and use tax revenue
17 collected under the preceding sections of this chapter.

18 1. The sales and use tax revenue generated by the one-half
19 percent sales and use tax increase enacted by the 1986 Special Session
20 of the General Assembly shall be paid, in the manner hereinafter
21 provided in this section, to the Transportation Trust Fund as defined
22 in § 33.1-23.03:1. Of the funds paid to the Transportation Trust Fund,
23 an aggregate of 4.2 percent shall be set aside as the Commonwealth
24 Port Fund as hereinafter provided; an aggregate of 2.4 percent shall
25 be set aside as the Commonwealth Airport Fund as hereinafter provided;
26 and an aggregate of 8.4 percent shall be set aside as the Commonwealth
27 Mass Transit Fund as hereinafter provided. The Fund's share of such
28 net revenue shall be computed as an estimate of the net revenue to be

1 received into the state treasury each month, and such estimated
2 payment shall be adjusted for the actual net revenue received in the
3 preceding month. All payments shall be made to the Fund on the last
4 day of each month.

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

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

14 b. The amounts allocated pursuant to this section shall be
15 allocated by the Commonwealth Transportation Board to the Board of
16 Commissioners of the Virginia Port Authority to be used to support
17 port capital needs and the preservation of existing capital needs of
18 all ocean, river, or tributary ports within the Commonwealth.

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

24 3. There is hereby created in the Department of the Treasury a
25 special nonreverting fund which shall be part of the Transportation
26 Trust Fund and which shall be known as the Commonwealth Airport Fund.
27 The Commonwealth Airport Fund shall be established on the books of the
28 Comptroller and any funds remaining in such Fund at the end of a

1 biennium shall not revert to the general fund but shall remain in the
2 Fund. Interest earned on the funds shall be credited to the Fund. The
3 funds so allocated shall be allocated by the Commonwealth
4 Transportation Fund to the Virginia Aviation Board. The funds shall be
5 allocated by the Virginia Aviation Board to any Virginia airport which
6 is owned by the Commonwealth, a governmental subdivision thereof, a
7 governmental authority created by an interstate compact or by the
8 federal government, or a private entity to which the public has access
9 for the purposes enumerated in § 5.1-2.16 as follows:

10 a. Forty percent of the funds shall be allocated to air carrier
11 airports based upon the percentage of enplanements for each airport to
12 total enplanements at air carrier airports. No air carrier airport,
13 however, shall receive less than \$50,000 nor more than \$2 million per
14 year from this provision; provided, that commencing on July 1, 1991, a
15 maximum of \$1 million shall be allocated each year through June 30,
16 2021, subject to appropriation by the General Assembly for the benefit
17 of any aircraft hangar, maintenance and operations facilities at
18 Washington Dulles International Airport for payment in whole or in
19 part of obligations incurred pursuant to subdivision 11 of § 33.1-269,
20 and to fund projects as defined in § 33.1-268 (2) (s) and for the
21 payment of debt service for bonds issued by the Commonwealth
22 Transportation Board pursuant to subdivision 4a of § 33.1-269.

23 b. Forty percent of the funds shall be allocated by the Aviation
24 Board for air carrier and reliever airports on a discretionary basis;
25 provided, that commencing July 1, 1991, a maximum of \$1 million shall
26 be allocated each year through June 30, 2021, subject to appropriation
27 by the General Assembly for payment in whole or in part of obligations
28 incurred pursuant to subdivision 11 of § 33.1-269 to finance, in part,

1 any aircraft hangar, maintenance and operations facilities, or other
2 improvements at Washington Dulles International Airport, and to fund
3 projects as defined in § 33.1-268 (2) (s) and for the payment of debt
4 service for bonds issued by the Commonwealth Transportation Board
5 pursuant to subdivision 4a of § 33.1-269.

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

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

12 a. The Commonwealth Mass Transit Fund shall be established on the
13 books of the Comptroller and any funds remaining in such Fund at the
14 end of the biennium shall not revert to the general fund but shall
15 remain in the Fund. Interest earned on such funds shall be credited to
16 the Fund. Funds may be paid to any local governing body,
17 transportation district commission or public service corporation for
18 the purposes hereinafter specified.

19 b. The amounts allocated pursuant to this section may be used to
20 support a maximum of fifty percent of the public transportation
21 administrative costs and up to eighty percent of the costs of
22 ridesharing programs borne by the locality. These amounts may be used
23 to support up to ninety-five percent of the local or nonfederal share
24 of capital project costs for public transportation and ridesharing
25 equipment, facilities, and associated costs. Capital costs may include
26 debt service payments on local or agency transit bonds. Further,
27 these amounts may be used to support a maximum of ninety-five percent
28 of the costs borne by the locality for the purchase of fuels,

1 lubricants, tires and maintenance parts and supplies for public
2 transportation. The term "borne by the locality" shall mean the local
3 share eligible for state assistance consisting of costs in excess of
4 the sum of fares and other operating revenues plus federal assistance
5 received by the locality.

6 c. Commonwealth Mass Transit Fund revenue shall be allocated by
7 the Commonwealth Transportation Board as follows:

8 (1) Funds for special programs, which shall include ridesharing,
9 experimental transit, and technical assistance, shall not exceed 1.5
10 percent of the Fund.

11 (2) The Board may allocate these funds to any locality or
12 planning district commission to finance up to eighty percent of the
13 local share of all costs associated with the development,
14 implementation, and continuation of ridesharing programs.

15 (3) Funds allocated for experimental transit projects may be paid
16 to any local governing body, transportation district commission, or
17 public corporation or may be used directly by the Department of Rail
18 and Public Transportation for the following purposes:

19 (a) To finance up to ninety-five percent of the capital costs
20 related to the development, implementation and promotion of
21 experimental public transportation and ridesharing projects approved
22 by the Board.

23 (b) To finance up to ninety-five percent of the operating costs
24 of experimental mass transportation and ridesharing projects approved
25 by the Board for a period of time not to exceed twelve months.

26 (c) To finance up to ninety-five percent of the cost of the
27 development and implementation of any other project designated by the
28 Board where the purpose of such project is to enhance the provision

1 and use of public transportation services.

2 d. Funds allocated for public transportation promotion and
3 operation studies may be paid to any local governing body, planning
4 district commission, transportation district commission, or public
5 transit corporation, or may be used directly by the Department of Rail
6 and Public Transportation for the following purposes and aid of public
7 transportation services:

8 (1) At the approval of the Board to finance a program
9 administered by the Department of Rail and Public Transportation
10 designed to promote the use of public transportation and ridesharing
11 throughout Virginia.

12 (2) To finance up to fifty percent of the local share of public
13 transportation operations planning and technical study projects
14 approved by the Board.

15 e. At least 73.5 percent of the Fund shall be distributed to each
16 transit property in the same proportion as its operating expenses bear
17 to the total statewide operating expenses and shall be spent for the
18 purposes specified in subdivision 4 b.

19 f. The remaining twenty-five percent shall be distributed for
20 capital purposes on the basis of ninety-five percent of the nonfederal
21 share for federal projects and ninety-five percent of the total costs
22 for nonfederal projects. In the event that total capital funds
23 available under this paragraph are insufficient to fund the complete
24 list of eligible projects, the funds shall be distributed to each
25 transit property in the same proportion that such capital expenditure
26 bears to the statewide total of capital projects.

27 5. Funds for Metro shall be paid by the Northern Virginia
28 Transportation Commission to the Washington Metropolitan Area Transit

1 Authority (WMATA) and be a credit to the Counties of Arlington and
2 Fairfax and the Cities of Alexandria, Falls Church and Fairfax in the
3 following manner:

4 a. Local payments of WMATA rail transit bonds shall be paid first
5 and apportioned to each locality using the WMATA capital formula.

6 b. The remaining funds shall be apportioned by calculating
7 twenty-five percent of the capital and operating costs and
8 seventy-five percent of the capital and operating subsidies applied to
9 each locality. Capital costs may include twenty percent of annual
10 local bus capital expenses.

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

14 B. The sales and use tax revenue generated by a one percent sales
15 and use tax shall be distributed among the counties and cities of this
16 Commonwealth in the manner hereafter in this section provided.

17 C. The localities' share of the net revenue distributable under
18 this section among the counties and cities shall be apportioned by the
19 Comptroller and distributed among them by warrants of the Comptroller
20 drawn on the Treasurer of Virginia as soon as practicable after the
21 close of each month during which the net revenue was received into the
22 state treasury. The distribution of the localities' share of such net
23 revenue shall be computed with respect to the net revenue received
24 into the state treasury during each month, and such distribution shall
25 be made as soon as practicable after the close of each such month.

26 D. The net revenue so distributable among the counties and cities
27 shall be apportioned and distributed upon the basis as certified to
28 the Comptroller by the Department of Education, of the number of

1 children in each county and city according to the most recent
2 statewide census of school population taken by the Department of
3 Education pursuant to § 22.1-284, as adjusted in the manner
4 hereinafter provided. No special school population census, other than
5 a statewide census, shall be used as the basis of apportionment and
6 distribution except that in any calendar year in which a statewide
7 census is not reported, the Department of Education shall adjust such
8 school population figures by the same percent of annual change in
9 total population estimated for each locality by the Center for Public
10 Service. The revenue so apportionable and distributable is hereby
11 appropriated to the several counties and cities for maintenance,
12 operation, capital outlays, debt and interest payments, or other
13 expenses incurred in the operation of the public schools, which shall
14 be considered as funds raised from local resources. In any county,
15 however, wherein is situated any incorporated town constituting a
16 school division, the county treasurer shall pay into the town treasury
17 for maintenance, operation, capital outlays, debt and interest
18 payments, or other expenses incurred in the operation of the public
19 schools, the proper proportionate amount received by him in the ratio
20 that the school population of such town bears to the school population
21 of the entire county. If the school population of any city or of any
22 town constituting a school division is increased by the annexation of
23 territory since the last preceding school population census, such
24 increase shall, for the purposes of this section, be added to the
25 school population of such city or town as shown by the last such
26 census and a proper reduction made in the school population of the
27 county or counties from which the annexed territory was acquired.

28 E. The sales and use tax revenue generated by the one percent

1 sales and use tax increase authorized by the 1993 Session of the
2 General Assembly for certain localities, on a local option basis,
3 shall be paid into a special fund, hereby designated as the
4 Infrastructure and Planning Assistance Fund (the "Infrastructure
5 Fund"). The Infrastructure Fund shall be administered by a division
6 of the Department of Planning and Budget to be known as the Division
7 of Planning. Disbursements from the Infrastructure Fund shall be made
8 on a matching grant basis to local governments with comprehensive
9 plans approved by the Department of Planning and Budget. The match
10 formula shall be prescribed in regulations promulgated by said
11 Department. Matching funds, in accordance with such formula, shall be
12 made available for the planning and construction of projects in one or
13 more of the following areas: waste management, public education,
14 transportation, water and sewer, stormwater management, water supply
15 development, and the acquisition of land or interest in land for
16 natural resource and open space protection and the development of
17 recreational areas. The revision of comprehensive plans to satisfy
18 criteria for recognition shall be eligible for matching grants.

19 E--F. If errors are made in any distribution, or adjustments
20 are otherwise necessary, the errors shall be corrected and adjustments
21 made in the distribution for the next quarter or for subsequent
22 quarters.

23 F--G. The term "net revenue," as used in this section, means
24 the gross revenue received into the general fund or the Transportation
25 Trust Fund of the state treasury under the preceding sections of this
26 chapter, less refunds to taxpayers.

27 #

2 SENATE BILL NO. HOUSE BILL NO.

3 A BILL to amend and reenact §§ 58.1-2105, 58.1-2113, 58.1-2116,
4 58.1-2122, 58.1-2124, 58.1-2146, 58.1-2701 and 58.1-2706 of the
5 Code of Virginia, relating to increasing the motor fuel and
6 special fuel and road taxes and dedicating a portion of such
7 revenues to funding local infrastructure projects through the
8 creation of the Infrastructure and Planning Assistance Fund.

9

10 Be it enacted by the General Assembly of Virginia:

11 1. That §§ 58.1-2105, 58.1-2113, 58.1-2116, 58.1-2122, 58.1-2124,
12 58.1-2146, 58.1-2701 and 58.1-2706 of the Code of Virginia are amended
13 and reenacted as follows:

14 58.1-2105. Levy of tax on motor fuel, aviation motor fuel and
15 synthetic motor fuel.--A. Except as provided in subsections C and D,
16 there is hereby levied a tax at the rate of ~~seventeen~~twenty-two and
17 one-half cents per gallon on all motor fuel, except aviation fuel,
18 sold and delivered or used in this Commonwealth. The tax shall be
19 levied on all motor fuel sold by or through post exchanges, ship
20 stores, ship service stores, commissaries, filling stations, licensed
21 traders and other similar agencies located on United States military
22 or other reservations within the boundaries of the Commonwealth,
23 unless such fuel is for the exclusive use of the United States or its
24 departments, agencies and instrumentalities. The tax herein imposed
25 and assessed shall be collected by and paid to the Commonwealth but
26 once in respect to any motor fuel. Nothing herein shall be construed
27 to exempt from this tax any dealer in motor fuel on the motor fuel

1 used in making such distribution.

2 B. A tax at the rate of five cents per gallon is hereby levied on
3 all aviation motor fuel which is sold and delivered or used in
4 Virginia. Any person, whether or not licensed under this chapter, who
5 uses, acquires for use, sells or delivers for use in highway vehicles
6 any aviation fuel taxable under this chapter shall be liable for the
7 tax at the rate ~~of-seventeen-and-one-half-cents-per-gallon-prescribed~~
8 in subsection A, along with any penalties and interest which may
9 accrue.

10 C. Upon application to and approval by the Commissioner, any
11 producer of synthetic motor fuel produced from coal in a county with a
12 population between ~~19,000-17,000~~ and 51,000 as determined by the ~~1980-~~
13 U.S. Census shall be subject to tax as set forth in this subsection:

14 1. For the first three years of production, the tax shall be
15 ~~three-~~eight cents per gallon;

16 2. For the fourth year of production, the tax shall be ~~nine-~~
17 fourteen cents per gallon;

18 3. For the fifth year of production, the tax shall be ~~eleven-~~
19 sixteen and one-half cents per gallon;

20 4. For the sixth and seventh years of production, the tax shall
21 be ~~thirteen-~~eighteen and one-half cents per gallon;

22 5. For the eighth and ninth years of production, the tax shall be
23 ~~fifteen-~~twenty and one-half cents per gallon; and

24 6. Beginning in the tenth year of production and thereafter, the
25 tax shall be at the rate prescribed in subsection A. The total number
26 of gallons of synthetic motor fuel and synthetic special fuel subject
27 to tax in this subsection ~~C-of-this-section-and~~ subsection D of S
28 58.1-2116 shall not exceed twenty-five million gallons per fiscal

1 year.

2 D. Motor-On and after July 1, 1993, motor fuel produced in a
3 refinery having a capacity not exceeding 1,000 barrels per day which
4 refinery uses as a raw material not less than ten percent crude oil
5 produced in a county with a population of between ~~19,000~~-17,000 and
6 51,000 as determined by the 1980 U.S. Census shall be subject to tax
7 ~~as set forth in rate~~ prescribed in subsection A of this subsection ---

8 _____

9 ~~1.---From July 1, 1989, to July 1, 1991, the tax shall be thirteen~~
10 ~~and one-half cents per gallon,--~~

11 ~~2.---From July 1, 1991, to July 1, 1993, the tax shall be fifteen-~~
12 ~~and one-half cents per gallon,--~~

13 ~~3.---On and after July 1, 1993, the tax shall be at the rate-~~
14 ~~prescribed in subsection A of this section.--~~

15 E. Any dealer who collects the tax on motor fuel shall be liable
16 for the payment thereof to the Department of Motor Vehicles.

17 § 58.1-2113. Payment of refund; amount.--A. Except as otherwise
18 provided in this section, any person who paid the tax upon motor fuel
19 at the time of its purchase shall be paid a refund, if entitled,
20 pursuant to § 58.1-2111 for the amount of such tax.

21 B. If the applicant for refund includes with the application a
22 statement that the fuel was used for agricultural purposes, the
23 Commissioner shall refund to the applicant seventeen-twenty-two cents
24 per gallon on all such motor fuel. One-half cent per gallon on such
25 fuel so used shall be paid by the Commissioner into the state treasury
26 to the credit of the Virginia Agricultural Foundation Fund.

27 C. If the applicant for refund of motor fuel tax collected
28 pursuant to this chapter includes with the application a statement

1 that the fuel was used for propelling a commercial boat or ship, the
2 Commissioner shall refund to the applicant ~~sixteen~~twenty-one cents
3 per gallon on all such motor fuel. The Commissioner shall pay the
4 remaining one and one-half cents into the state treasury to be
5 expended pursuant to subsection D of § 58.1-2146. If any applicant so
6 requests, the Commissioner shall pay into the state treasury, to the
7 credit of the Game Protection Fund, the entire ~~seventeen~~twenty-two
8 and one-half cents per gallon tax paid by such applicant for the
9 purposes specified in subsection D of § 58.1-2146.

10 D. A dealer entitled to a refund pursuant to subdivision B 3 of §
11 58.1-2111 shall receive a refund equal to one percent of the tax
12 passed on to him on the gross gallonage of motor fuel transferred, in
13 consideration of shrinkage and evaporation. No dealer shall receive
14 more than one such refund and not more than one such refund shall be
15 paid on the transfer of the same motor fuel.

16 § 58.1-2116. Levy of tax; liability for tax.--A. Except as
17 otherwise provided in subsections D and E, there is hereby levied a
18 tax at the rate of ~~sixteen~~twenty-one cents per gallon upon all
19 special fuel:

20 1. Sold or delivered by any supplier into a bulk storage facility
21 of any licensed reseller or bulk user;

22 2. Used by any supplier in any motor vehicle owned, leased, or
23 operated by him;

24 3. Delivered by a supplier directly into the fuel supply tank of
25 a motor vehicle;

26 4. Imported by a reseller or bulk user, into this Commonwealth;
27 or

28 5. Acquired tax free by a reseller, bulk user, or user in this

1 Commonwealth, for resale or use for the propulsion of a motor vehicle.

2 B. A tax at the rate of five cents per gallon is hereby imposed
3 upon all aviation special fuel:

4 1. Sold or delivered by any supplier, other than an aviation
5 consumer, to any licensed reseller or bulk user;

6 2. Used by a supplier, other than an aviation consumer, in any
7 aircraft owned, leased or operated by him;

8 3. Delivered by a supplier directly into the fuel supply tank of
9 an aircraft, other than an aircraft owned, leased or operated by a
10 licensed aviation consumer; or

11 4. Imported by a reseller or bulk user into, or acquired tax free
12 by a reseller, bulk user or user in this Commonwealth for resale or
13 use for the propulsion of an aircraft.

14 C. A tax at the rate of five cents per gallon is hereby imposed
15 upon the first 100,000 gallons of aviation special fuel, excluding
16 bonded aviation special fuel, purchased or acquired for use by any
17 aviation consumer in any fiscal year. A tax at the rate of one-half
18 cent per gallon is hereby imposed on all aviation special fuel,
19 excluding bonded aviation special fuel, purchased or acquired for use
20 in excess of 100,000 gallons by an aviation consumer in any fiscal
21 year.

22 Any person who shall, while licensed or unlicensed under this
23 chapter, use, acquire for use, sell or deliver for use in highway
24 vehicles any aviation special fuel taxable under this article shall be
25 liable for the tax imposed at the rate ~~of sixteen cents per gallon~~
26 ~~under this section prescribed in subsection A~~, along with any
27 penalties and interest which may accrue.

28 D. Upon application to and approval by the Commissioner, any

1 producer of synthetic special fuel produced from coal in a county with
2 a population between 19,000 and 51,000 as determined by the 1980-U.S.
3 Census shall be subject to tax as follows:

4 1. For the first three years of production, the tax shall be
5 three-eight cents per gallon;

6 2. For the fourth year of production, the tax shall be nine-
7 fourteen cents per gallon;

8 3. For the fifth year of production, the tax shall be eleven-
9 sixteen and one-half cents per gallon;

10 4. For the sixth and seventh years of production, the tax shall
11 be thirteen-eighteen and one-half cents per gallon;

12 5. For the eighth and ninth years of production, the tax shall be
13 fifteen-twenty and one-half cents per gallon; and

14 6. Beginning in the tenth year of production and thereafter, the
15 tax shall be at the rate prescribed in subsection A. The total number
16 of gallons of synthetic special fuel and synthetic motor fuel subject
17 to tax in this subsection B ~~of this section~~ and subsection C of §
18 58.1-2105 shall not exceed twenty-five million gallons per fiscal
19 year.

20 E. Special ~~On and after July 1, 1993, special~~ fuel produced in
21 a refinery having a capacity not exceeding 1,000 barrels per day which
22 refinery uses as a raw material not less than ten percent crude oil
23 produced in a county with a population of between 19,000 17,000 and
24 51,000 as determined by the 1980-U.S. Census, shall be subject to tax
25 ~~as follows:~~ the tax rate prescribed in subsection A of this section.

26 1. ~~From July 1, 1989, to July 1, 1991, the tax shall be twelve~~
27 ~~cents per gallon.~~

28 2. ~~From July 1, 1991, to July 1, 1993, the tax shall be fourteen~~

1 ~~cents-per-gallon~~

2 3.---On and after July 1, 1993, the tax shall be at the rate
3 prescribed in subsection A.

4 F. Any supplier who collects the tax on special fuel shall be
5 liable for the payment thereof to the Department of Motor Vehicles.

6 § 58.1-2122. Refund of tax on special fuels.--Any person other
7 than a person to whom § 58.1-2124 applies, who pays the tax at the
8 rate of ~~sixteen~~twenty-one cents per gallon on the purchase of any
9 special fuel in quantities of five gallons or more at any one time
10 shall be entitled to a refund in the amount of the tax paid if:

11 1. Such fuel is used (i) for purposes other than to propel
12 vehicles operated or intended to be operated on the highway, (ii) by
13 buses owned or solely used by a private, nonprofit, nonsectarian
14 school while being used to transport children to and from such school
15 or from such school to and from educational or athletic activities, or
16 (iii) by any private, nonprofit area agency on aging, designated by
17 the Department for the Aging, providing transportation services to
18 citizens in vehicles owned, leased, operated or under contract by such
19 area agency;

20 2. Such fuel has been lost by accident, except through personal
21 negligence or theft;

22 3. Such fuel was used by any county or city school board or any
23 private, nonprofit nonsectarian school contracting with a private
24 carrier to transport children to and from public schools or any
25 private schools or any private nonsectarian school; or

26 4. Such fuel was (i) sold to any corporation, partnership or
27 other entity performing transportation under contract or lease with
28 any transportation district and (ii) used in a motor vehicle

1 controlled by a transportation district created under the
2 Transportation District Act of 1964, which motor vehicle is used in
3 providing transit service by the transportation district by contract
4 or lease. The refund provided for in this paragraph-subdivision
5 shall be paid to the corporation, partnership or other entity
6 performing such transportation.

7 The total refunds allowed to any one applicant in all cases
8 pursuant to clause (ii) of subdivision 1 of this section with respect
9 to fuel which is subject to the tax imposed by this chapter shall not
10 exceed the sum of \$2,000 in any fiscal year.

11 Application for refund shall show the purpose for which the fuel
12 was used ~~r~~-and shall be accompanied by the invoice covering the sale
13 of the fuel to such person. In the event an assessment is rendered for
14 failure to report and pay any tax imposed by § 58.1-2116 and such fuel
15 has been used for nonhighway purposes by the consumer, application for
16 refund may be filed with the Commissioner by the consumer within
17 twelve months from the date such assessment ~~is~~-was paid and shall be
18 accompanied by invoices covering the sale of the fuel and the billing
19 of the tax to such person.

20 § 58.1-2124. Refund for agricultural use.-- A. Any person who
21 at any one time buys special fuel in quantities of five gallons or
22 more on which the tax imposed by this chapter has been paid for the
23 purpose of operating or propelling unlicensed motor vehicles and other
24 unlicensed equipment used for agricultural purposes is entitled to a
25 refund of the tax paid by such person. The amount of the refund shall
26 be paid by the Commissioner as follows:

27 1. Fifteen-Twenty and one-half cents of the tax paid on each
28 gallon of fuel so used shall be refunded to the claimant.

1 2-3. One-half cent of the tax paid on each gallon of fuel so
2 used shall be paid by the Commissioner into the state treasury to the
3 credit of the Virginia Agricultural Foundation Fund as provided by §
4 58.1-2146.

5 § 58.1-2146. Disposition of tax revenues.--A. Unless otherwise
6 provided in this section, all taxes and fees collected by the
7 Commissioner pursuant to this chapter, less a reasonable amount to be
8 allocated for refunds, shall be promptly paid into the state treasury.
9 Except as provided in § 33.1-23.03:1 and in this section, no portion
10 of the revenue derived from taxes collected pursuant to §§ 58.1-2701,
11 58.1-2105 and 58.1-2116, and remaining after authorized refunds for
12 nonhighway use of motor fuel and special fuel, shall be used for any
13 purpose other than the construction, reconstruction or maintenance of
14 the roads and projects comprising the State Highway System, the
15 Interstate System and the secondary system of state highways and
16 expenditures directly and necessarily required for such purposes,
17 including the retirement of revenue bonds.

18 Revenues collected under this chapter may be also used for (i)
19 making a contribution towards the construction, reconstruction or
20 maintenance of streets in cities and towns of such sums as may be
21 provided by law --and (ii) expenditures for the operation and
22 maintenance of the Department of Transportation and the Department of
23 Motor Vehicles as may be provided by law.

24 The Governor is hereby authorized to transfer out of such fund an
25 amount necessary for the purpose of inspection of gasoline and motor
26 grease measuring and distributing equipment, and for inspection and
27 analysis of gasoline for purity.

28 B. The tax collected on each gallon of aviation fuel sold and

1 delivered or used in the Commonwealth, less refunds, shall be paid
2 into a special fund of the state treasury. Proceeds of the special
3 fund shall be disbursed upon order of the Department of Aviation, or
4 warrants of the Comptroller, to defray the cost of the administration
5 of the laws of this Commonwealth relating to aviation, for the
6 construction, maintenance and improvement of airports and landing
7 fields to which the public now has or which it is proposed shall
8 have access and for the promotion of aviation in the interest of
9 operators and the public generally.

10 C. One-half cent of the tax collected on each gallon of fuel on
11 which the refund has been paid ~~at the rate of seventeen cents per~~
12 ~~gallon, or in the case of special fuel fifteen and one-half cents per~~
13 ~~gallon,~~ for fuel consumed in tractors and unlicensed equipment used
14 for agricultural purposes shall be paid into a special fund of the
15 state treasury, known as the Virginia Agricultural Foundation Fund, to
16 be disbursed to make certain refunds and defray the costs of the
17 research and educational phases of the agricultural program, including
18 supplemental salary payments to certain employees at the Virginia
19 Polytechnic Institute and State University, the State Department of
20 Agriculture and Consumer Services and the Virginia Truck and
21 Ornamentals Research Station, including reasonable expenses of the
22 Virginia Agricultural Council.

23 D. One and one-half cents of the tax collected on each gallon of
24 motor fuel used to propel a commercial boat or ship upon which a
25 refund has been paid shall be paid to the credit of the game
26 protection fund of the state treasury to be made available to the
27 Board of Game and Inland Fisheries until expended for the purposes
28 provided generally in § 62.1-168 (c), including acquisition,

1 construction, improvement and maintenance of public boating access
2 areas on the public waters of the Commonwealth and for other
3 activities and purposes of direct benefit and interest to the boating
4 public and for no other purpose. However, one and one-half cents per
5 gallon on fuel used by commercial fishing, oystering, clamming, and
6 crabbing boats shall be paid to the Department of Transportation to be
7 used for the construction, repair, improvement and maintenance of the
8 public docks of the Commonwealth used by said commercial boats. Any
9 expenditures for the acquisition, construction, improvement and
10 maintenance of the public docks shall be made according to a plan
11 developed by the Virginia Marine Resources Commission.

12 From the tax collected pursuant to the provisions of this chapter
13 from the sales of motor fuels used for the propelling of boats or
14 ships, after deduction for lawful refunds, there shall be paid into
15 the state treasury for use by the Marine Resources Commission, the
16 Virginia Soil and Water Conservation Board, the State Water Control
17 Board, and the Commonwealth Transportation Board for the purpose of
18 (i) improving the public docks as specified in this section, (ii)
19 improving commercial and sports fisheries in Virginia's tidal waters,
20 (iii) environmental improvements including, without limitation,
21 fisheries management and habitat enhancement in the Chesapeake and its
22 tributaries, and (iv) for the purposes set forth in § 33.1-223, a sum
23 as established by the General Assembly.

24 ~~E. A sum sufficient appropriation in the general appropriations-~~
25 ~~act shall be paid into and disbursed from the Alcohol-Fuel-Production-~~
26 ~~Incentive-Program-Fund each month as required by Article 3-1-(§-~~
27 ~~58-1-2127-1-et-seq.)--of this chapter and in accordance with the-~~
28 ~~following:--~~

1 From July 1, 1990, to June 30, 1992, twenty cents per gallon of
2 anhydrous ethyl alcohol produced during the preceding month and
3 qualifying for the grants set forth in Article 3.1 (§ 58.1-2127.1 et
4 seq.) of this chapter.--

5 F.--Notwithstanding other provisions of this section, there shall
6 be transferred from moneys collected pursuant to this section to a
7 special fund in the state treasury, to be used to meet the necessary
8 expenses of the Department of Motor Vehicles, an amount equal to one
9 percent of a sum to be calculated as follows: the tax revenues
10 collected pursuant to this chapter, at the tax rates in effect on
11 December 31, 1986, less refunds authorized by this title and less
12 taxes collected for aviation fuels.

13 F.1. Notwithstanding other provisions of this section, there is
14 hereby created in the Department of the Treasury a special
15 nonreverting fund which shall be known as the "Infrastructure and
16 Planning Assistance Fund" (the "Infrastructure Fund"). The
17 Infrastructure Fund shall be administered by a division of the
18 Department of Planning and Budget to be known as the Division of
19 Planning. Three cents of the five cents increase in motor fuel,
20 special fuel, and road taxes enacted by the 1993 Session of the
21 General Assembly shall be paid into the Infrastructure Fund to be
22 disbursed as provided herein; the remaining two cents shall be paid
23 into the Transportation Trust Fund.

24 2. Disbursements from the Infrastructure Fund shall be made on a
25 matching grant basis to local governments with comprehensive plans
26 recognized by the Department of Planning and Budget. The match
27 formula shall be prescribed in regulations promulgated by the
28 Department of Planning and Budget. Matching funds, in accordance with

1 such formula, shall be made available for the planning and
2 construction of projects in one or more of the following areas: waste
3 management, public education, transportation, water and sewer,
4 stormwater management, water supply development, and the acquisition
5 of land or interest in land for natural resource and open space
6 protection and the development of recreational areas. The revision of
7 comprehensive plans to satisfy criteria for recognition shall be
8 eligible for matching grants.

9 § 58.1-2701. Amount of tax.--Every motor carrier of property
10 shall pay a road tax equivalent to ~~nineteen-twenty-four~~ and one-half
11 cents per gallon calculated on the amount of gasoline or liquefied
12 gases (which would not exist as liquids at a temperature of sixty
13 degrees F. and a pressure of 14.7 pounds per square inch absolute), or
14 other motor fuel used in its operations within the Commonwealth.

15 The tax imposed by this chapter shall be in addition to all other
16 taxes of whatever character imposed on a motor carrier by any other
17 provision of law.

18 All taxes paid under the provisions of this chapter , except for
19 the allocations made to the Transportation Trust Fund and to the
20 Infrastructure and Planning Assistance Fund pursuant to § 58.1-2146 F,
21 shall be credited to the Highway Maintenance and Construction Fund.

22 § 58.1-2706. Credit for payment of motor fuel tax.--A. Every
23 motor carrier subject to the road tax shall be entitled to a credit on
24 such tax equivalent to ~~sixteen-twenty-one~~ cents per gallon on all
25 gasoline or other motor fuel purchased by such carrier within the
26 Commonwealth for use in its operations either within or without the
27 Commonwealth and upon which gasoline or other motor fuel the tax
28 imposed by the laws of the Commonwealth has been paid by such carrier.

1 Evidence of the payment of such tax in such form as may be required
2 by, or is satisfactory to, the Commission shall be furnished by each
3 carrier claiming the credit herein allowed.

4 B. When the amount of the credit to which any motor carrier is
5 entitled for any quarter exceeds the amount of the tax for which such
6 carrier is liable for the same quarter, the excess may under
7 regulations of the Commission: (i) be allowed as a credit on the tax
8 for which such carrier would be otherwise liable for any of the four
9 succeeding quarters; or (ii) be refunded, upon application within 180
10 days from the end of any quarter, duly verified and presented, in
11 accordance with regulations promulgated by the Commission and
12 supported by such evidence as may be satisfactory to the Commission.

13 C. The Commission shall not allow a refund of more than \$100 per
14 quarter except after an audit of the applicant's records and shall
15 audit the records of an applicant requesting a refund of more than
16 \$100 per quarter at least once a year. For refunds of \$100 or less, i
17 shall be at the discretion of the Commission to determine whether an
18 audit is required.

19 D. The refund may be allowed without a formal hearing if the
20 amount of refund is agreed to by the applicant. Otherwise, a formal
21 hearing on the application shall be held by the Commission after
22 notice of not less than ten days to the applicant and the Attorney
23 General.

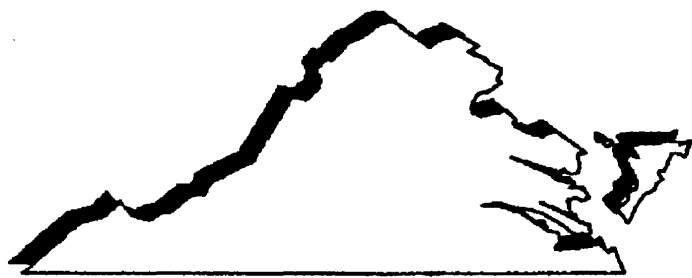
24 E. Whenever any refund is ordered it shall be paid out of the
25 Highway Maintenance and Construction Fund.

26 F. Whenever a person operating under lease to a motor carrier to
27 perform transport services on behalf of the carrier purchases gasoline
28 or other motor fuel relating to such services, such payments or

1 purchases may, at the discretion of the Commission, in accordance with
2 regulations promulgated by the Commission, be considered payment or
3 purchases by the carrier.

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FINDINGS AND A PLAN FOR ACTION

Adopted March 7, 1991

Foundation for Consensus

The Commission on Population Growth and Development believes that Virginia must put into place programs that will accommodate expected growth. These programs must also protect the quality of life and the bountiful natural and economic resources of the Commonwealth. Without action now, the physical landscape will be irreparably harmed and our capacity to support growing communities and assist struggling ones will be strained. A framework for sustained growth which promotes efficiency and fairness will benefit all the citizens of the Commonwealth.

The seeds of the commission's work were sown by the Year 2020 Panel which was convened under the 1987 Chesapeake Bay Agreement. We commend that report to all citizens of the Commonwealth. The 2020 Panel recognized that growth, if left unchecked, would continue in a manner which would irreversibly harm the economic vitality and environmental resources of the region. They called for programs at the state and regional level which would realize a series of "visions". They forcefully stated that the visions can only be realized if current patterns of growth are reversed. The 2020 Panel visions are:

- ◆ Vision I: Development is concentrated in suitable areas.
- ◆ Vision II: Sensitive areas are protected.
- ◆ Vision III: Growth is directed to existing population centers in rural areas and resource areas are protected.
- ◆ Vision IV: Stewardship of the Bay and the land is a universal ethic.
- ◆ Vision V: Conservation of resources, including a reduction in resource consumption, is practiced throughout the region.
- ◆ Vision VI: Funding mechanisms are in place to achieve all other visions.

We accept these visions as objectives to guide our work. However, we also note that the focus of the 2020 Panel was the watershed of Chesapeake Bay. This commission is charged with examining the consequences of both growth and decline in the Bay watershed and in regions removed from the Bay watershed. We therefore seek to realize these visions with a statewide focus and add the following:

- ◆ Vision VII: All areas of the Commonwealth, regardless of growth rates, implement a planning program which, on a statewide basis, promotes economic vitality and a sustainable quality of life and provides environmental quality.

This paper serves to articulate a view of population growth and development by this Commission. It presents a framework for addressing the challenge of growth by identifying specific issues the Commission will consider. It also proposes a procedural format to guide the next phase of the Commission's work.

Findings

The Commission finds the following:

1. **Growth can provide a variety of benefits but also has economic and environmental costs.**

The economic and social opportunities provided by growth can be significant. Growth can bring new jobs, expanded opportunities for economic advancement and additional social, cultural and educational benefits. There are also costs associated with all growth such as services and infrastructure.

2. **The consequences of growth without preparation and coordination are apparent and will worsen unless action is taken.**

Citizens in many parts of the Commonwealth are experiencing congested roads, overcrowded schools, decline in the quality of services, financial stress, lack of affordable housing, polluted environment, impaired natural resources, a loss of community character and a loss of quality of life. Effective solutions to these problems require partnerships at the state, regional and local levels that recognize the responsibilities and duties of each. Public and private partnerships can also contribute to the solutions.

3. **Current development patterns are significantly increasing the cost of providing infrastructure and services.**

It is universally recognized that the expense of providing infrastructure and services is related to the pattern of development. The 2020 Panel suggested that at least 10 billion dollars could be saved on road construction alone if policies which promote higher density, compact development are adopted in urbanizing areas. It is also the case that many significant infrastructure costs will remain regardless of the rate or pattern of additional growth and these costs must be addressed.

4. **Sprawling development is often an inefficient use of natural resources and contributes to the loss of traditional resource based industries which are vital to the economy of the Commonwealth.**

The commission continues to be concerned about the survival of traditional resource based industries in the face of inefficient and highly consumptive land use patterns. Conservation of prime agricultural land, preservation of forest resources, protection of water-based industries and the wise and efficient use of mineral resources is necessary to support a vibrant and diverse economy.

5. The benefits of growth are not shared equitably across the Commonwealth.

Many regions of the Commonwealth have not shared in the growth and prosperity of the last decade. We cannot forget their needs. Many of these largely rural regions of the Commonwealth are losing population and resources and are increasingly financially and culturally stressed.

6. The health of urban areas is critical to the growth of Virginia. Currently, outlying suburban areas are growing at the expense of urban areas.

The commission is concerned about the state of urban Virginia. We continue to believe that the health of the central cities is a vital component in an overall growth management strategy. Areas served by infrastructure exist in the cities and can accommodate development. However, as we noted in our report last year, many central cities continue to lose population and tax base.

7. Long-term transportation planning is essential to foster efficient development patterns and to prevent resource waste and environmental degradation.

Road construction and maintenance are expensive and the increased use of automobiles leads to greater consumption of petroleum and increased air pollution. We must encourage patterns of development which maximize alternative means of transportation and minimize automobile use.

8. Housing prices in many localities are out of reach of low and moderate income families.

In some areas, housing prices are beyond the means of many Virginians. The search for affordable housing often drives home buyers to areas far from their places of employment. This situation accelerates sprawling development and compounds public, economic and environmental costs.

9. The loss of natural resources continues to threaten Virginia's economy and environment.

Environmental protection is a vital element of the questions we are considering. Virginia continues to lose critical habitat, water resources, wetlands, cultural and historic resources, open space, forests and farmland. We recognize that these resources often transcend jurisdictional boundaries and must be protected by state and local governments working cooperatively.

10. Private property interests must be protected consistent with the State's obligations to its citizens and future generations.

The commission recognizes the legal rights of property owners. The commission also believes there is a great deal of misunderstanding regarding the extent of property rights and this stands in the way of effective planning.

11. **Local governments may need additional incentives and resources as well as powers to manage growth even though some may not be using all powers at their disposal.**

The commission recognizes that localities and regions may require additional authority to implement effective plans.

12. **Some growth related problems lend themselves only to regional solutions.**

A locality's carrying capacity, especially in regard to its financial and natural resources, may not be adequate to sustain anticipated growth. Many impacts of growth are not confined to jurisdictional boundaries. For example, water is often a resource shared among localities and both water quality and quantity can be adversely affected by growth. Infrastructure such as transportation facilities, also cross jurisdictional boundaries. Some programs, such as solid waste management, have been dealt with historically at the local level but are more effectively accomplished at the regional level. Planning for sustainable growth must therefore include regional approaches.

13. **The State needs to provide localities with mechanisms for achieving regional solutions.**

Regional cooperation and coordination is, at best, inconsistent. Existing structures, such as the Planning District Commissions, need to be re-examined. Structures which provide incentives and requirements for regional cooperation, including financial and/or legal empowerment, must be established in order to improve the planning process.

14. **The Commonwealth has a clear interest and responsibility to plan for its future.**

In order to fulfill this responsibility, the Commonwealth must both protect and promote its economic, cultural and environmental resources. The Commonwealth must take a leadership role. The relationship between local governments and state government in growth management and land use planning issues must be changed for planning at both levels to be successful.

MEMBERSHIP LIST

LEGISLATIVE MEMBERS:

1. **HUNTER B. ANDREWS:** (1st Senatorial District)
Has represented the City of Hampton in the Virginia Senate since 1964. He is Chairman of the Senate Finance Committee.
2. **ROBERT B. BALL, SR.:** (74th House District)
Has represented Henrico County in the House of Delegates since 1972. He is Chairman of the House Appropriations Committee.
3. **ROBERT L. CALHOUN:** (30th Senatorial District)
Has represented the City of Alexandria in the Virginia Senate since 1989. He was one of the three Senatorial appointees to this Commission in 1989.
4. **WHITTINGTON W. CLEMENT:** (20th House District)
Has represented the City of Danville in the House of Delegates since 1988. He was one of the four House appointees to this Commission in 1989.
5. **C. RICHARD CRANWELL:** (14th House District)
Has represented Roanoke County and surrounding jurisdictions in the House of Delegates since 1972. He is Chairman of the House Finance Committee.
6. **ELMO G. CROSS, JR.:** (4th Senatorial District)
Has represented Hanover County and the Middle Peninsula in the Virginia Senate since 1976. He was one of the three Senatorial appointees to this Commission in 1989, and is a member of the Chesapeake Bay Commission.
7. **JOSEPH V. GARTLAN, JR.:** (36th Senatorial District)
Has represented a portion of Fairfax County in the Virginia Senate since 1972, including the Mason Neck area where he resides. He was one of the three Senatorial appointees to this Commission in 1989, and is a member of the Chesapeake Bay Commission.
8. **W. TAYLOE MURPHY, JR.:** (99th House District)
Has represented the Northern Neck in the House of Delegates since 1982. He is Vice Chairman of the Chesapeake Bay Commission and was a member of the Year 2020 Panel.
9. **JAMES M. SCOTT:** (53rd House District)
Elected to the House of Delegates in 1991, representing a part of Fairfax County, and appointed to the Commission in 1992.

10. **JOHN C. WATKINS:** (65th House District)
Has represented Chesterfield County in the House of Delegates since 1982. He was one of the four House appointees to this Commission in 1989.

CITIZEN MEMBERS:

1. **JAMES N. CARTER, JR.:**
President of Carter Financial Corporation of Irvington. He has been involved in land development activities for a number of years. He has served on the Non-tidal Wetlands Roundtable and the Advisory Committee to the Chesapeake Bay Local Assistance Board.
2. **FRANK A. CROVO, JR.:**
Past President (retired) of the RF&P Railroad. He was one of the nine individuals appointed to this Commission in 1989.
3. **JACK D. EDWARDS:**
Professor of Political Science at the College of William & Mary. He is a member of the Board of Supervisors of James City County and was one of the Virginia members on the Year 2020 Panel.
4. **CARTER S. ELLIOTT, JR.:**
A dairy farmer in Campbell County. He has been active in local government and is a former President of the Virginia Association of Counties.
5. **MYRON P. ERKILETIAN:**
President of Erkiletian Construction Company in Alexandria. He was one of the three Virginia representatives on the Year 2020 Panel and was appointed to this Commission in 1989.
6. **ALEXANDER MURRAY FISHER, JR.:**
Owns and operates Brookview Farm, a crop and cattle operation, in Goochland County. He has been active in agricultural activities both here in Virginia and abroad.
7. **CAROL R. FOSTER:**
Manager of Government Relations at Chesapeake Corporation, an integrated paper and forest products company. She resides in the Richmond area.
8. **GARY C. HANCOCK:**
Mayor of the Town of Pulaski, the county seat of Pulaski County. He currently is Chairman of the Community & Economic Development Policy Committee for the Virginia Municipal League.

9. **WILLIAM J. HEARRING, SR.:**
President and owner of Hearndon Construction Corporation in the City of Chesapeake. He was appointed to this Commission in 1989.
10. **CARLTON H. HERSHNER, JR.:**
Professor of Marine Science at the Virginia Institute of Marine Science of the College of William & Mary. He heads the Coastal Inventory Program at VIMS. He was appointed to this Commission in 1989.
11. **GERALD W. HYLAND:**
Represents the Mount Vernon District on the Fairfax County Board of Supervisors. He also serves as Chairman of the Chesapeake Bay Local Government Advisory Committee.
12. **DAN KAVANAGH:**
Executive Director of the Middle Peninsula Planning District Commission. He has been active in a number of regional planning associations. He lives in Remlik in Middlesex County.
13. **G. ROBERT LEE:**
County Administrator of Fauquier County. He formerly held the same position in Clarke County. He serves on the Virginia Association of Counties Legislative Steering Committee on Natural Resources and Planning.
14. **JOSEPH H. MAROON:**
Virginia Executive Director of the Chesapeake Bay Foundation. Before joining the Chesapeake Bay Foundation, he was on the staff of the Joint Legislative Audit and Review Commission. He was also a member of the Chesapeake Bay Land Use Roundtable.
15. **DR. GRACE V. NORBREY:**
Retired as Land Information Coordinator for the Cooperative Extension Service at Virginia State University. She was appointed to this Commission in 1989.
16. **NANCY K. PARKER:**
Member of the City Council of Virginia Beach. She is a member of the Education Policy Committee of the Virginia Municipal League and the Chesapeake Bay Local Government Advisory Committee.
17. **MARGARET D. PORTERFIELD:**
Administrator of Prince William County's Conference and Visitor's Bureau. She was formerly with the Eastern Shore Chamber of Commerce and was appointed to the Commission in 1989.

18. **CARROLL K. SHACKELFORD:**
A resident of Orange County, she is a 1964 graduate of the University of Virginia Law School. She has been active in a great many civic activities and currently serves as a member of the Board of Directors of the Piedmont Environmental Council.
19. **DR. CHARLES W. STEGER:**
Dean of the College of Architecture and Urban Studies at Virginia Polytechnic Institute and State University. He was appointed to this Commission in 1989.
20. **JACQUELYN E. STONE:**
A native of Williamsburg, she is a 1980 graduate of the University of Virginia and a 1985 graduate of Harvard Law School. She is currently associated with the firm of McGuire, Woods, Battle & Boothe in Richmond.
21. **DR. PORCHER L. TAYLOR, JR.:**
Retired Vice-President of Virginia State University. He is a former career Army officer, retiring as a full Colonel, and resides in Petersburg.
22. **MARGARET E. G. VANDERHYE:**
A private research consultant. She is a member of the Northern Virginia Planning District Commission of which she is immediate Past Chairman. She is also President of the Virginia Association of Planning District Commissions.
23. **ELIZABETH B. WATERS:**
Formerly associated with the Institute for Environmental Negotiation at the University of Virginia; she is currently an instructor there and a private consultant. She is a member of the Charlottesville City Council and was a former Mayor of the City.

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