

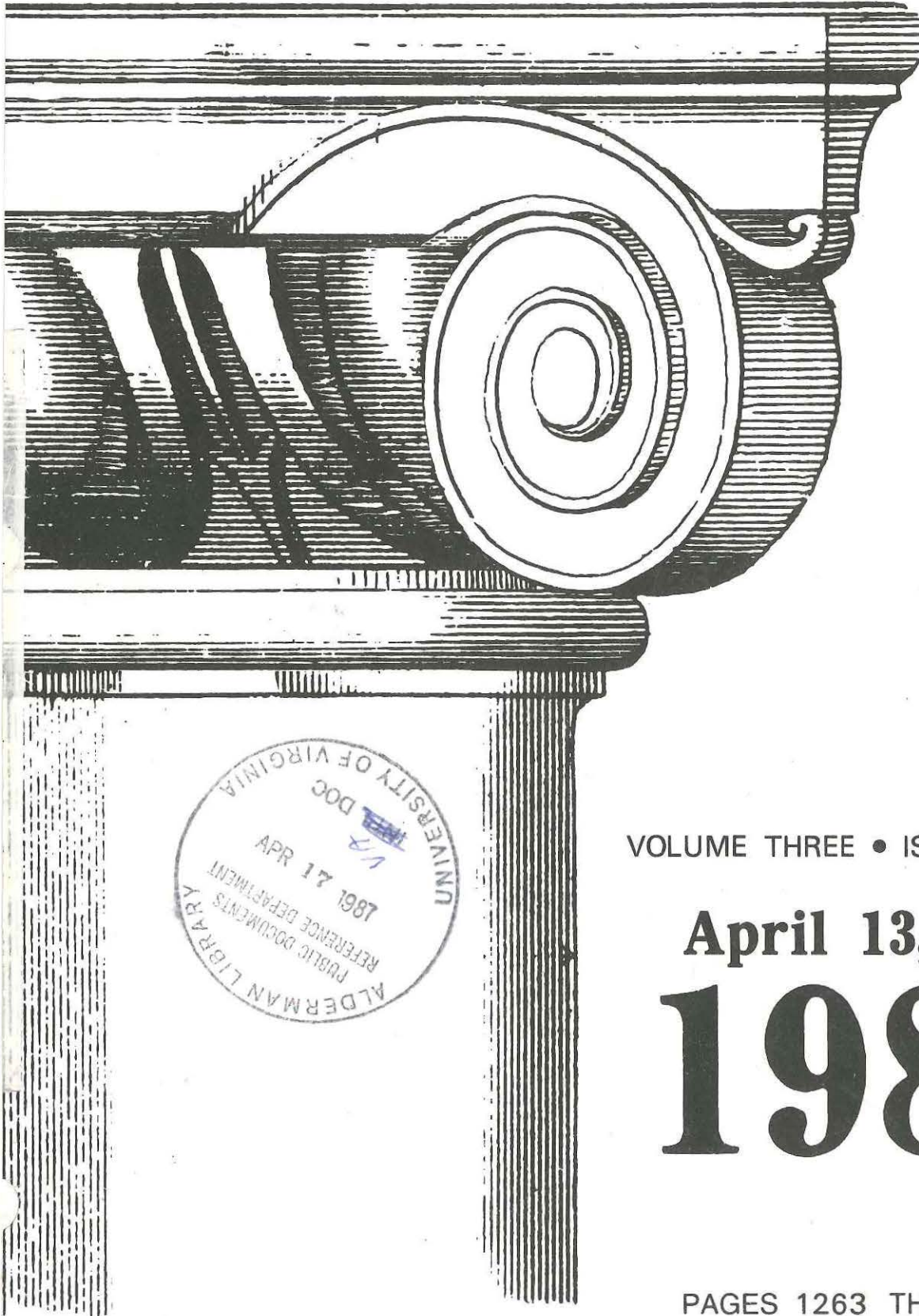
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THE VIRGINIA REGISTER

OF REGULATIONS

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April 13, 1987

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INFORMATION ABOUT THE VIRGINIA REGISTER OF REGULATIONS

VIRGINIA REGISTER

The *Virginia Register* is an official state publication issued every other week throughout the year. Indexes are published quarterly, and the last index of the year is cumulative.

The *Virginia Register* has several functions. The full text of all regulations, both as proposed and as finally adopted or changed by amendment are required by law to be published in the *Virginia Register of Regulations*.

In addition, the *Virginia Register* is a source of other information about state government, including all Emergency Regulations issued by the Governor, and Executive Orders, the *Virginia Tax Bulletin* issued monthly by the Department of Taxation, and notices of all public hearings and open meetings of state agencies.

ADOPTION, AMENDMENT, AND REPEAL OF REGULATIONS

An agency wishing to adopt, amend, or repeal regulations must first publish in the *Virginia Register* a notice of proposed action; a basis, purpose, impact and summary statement; a notice giving the public an opportunity to comment on the proposal, and the text of the proposed regulations.

Under the provisions of the Administrative Process Act, the Registrar has the right to publish a summary, rather than the full text, of a regulation which is considered to be too lengthy. In such case, the full text of the regulation will be available for public inspection at the office of the Registrar and at the office of the promulgating agency.

Following publication of the proposal in the *Virginia Register*, sixty days must elapse before the agency may take action on the proposal.

During this time, the Governor and the General Assembly will review the proposed regulations. The Governor will transmit his comments on the regulations to the Registrar and the agency and such comments will be published in the *Virginia Register*.

Upon receipt of the Governor's comment on a proposed regulation, the agency (i) may adopt the proposed regulation, if the Governor has no objection to the regulation; (ii) may modify and adopt the proposed regulation after considering and incorporating the Governor's suggestions, or (iii) may adopt the regulation without changes despite the Governor's recommendations for change.

The appropriate standing committee of each branch of the General Assembly may meet during the promulgation or final adoption process and file an objection with the *Virginia Registrar* and the promulgating agency. The objection will be published in the *Virginia Register*. Within twenty-one days after receipt by the agency of a legislative objection, the agency shall file a response with the Registrar, the objecting legislative Committee, and the Governor.

When final action is taken, the promulgating agency must again publish the text of the regulation, as adopted, highlighting and explaining any substantial changes in the final regulation. A thirty-day final adoption period will commence upon publication in the *Virginia Register*.

The Governor will review the final regulation during this time and if he objects, forward his objection to the Registrar and the agency. His objection will be published in the *Virginia Register*. If the Governor finds that changes made to the proposed regulation are substantial, he may suspend the regulatory process for thirty days and require the agency to solicit additional public comment on the substantial changes.

A regulation becomes effective at the conclusion of this thirty-day final adoption period, or at any other later date specified by the promulgating agency, unless (i) a legislative

objection has been filed, in which event the regulation, unless withdrawn, becomes effective on the date specified, which shall be after the expiration of the twenty-one day extension period; or (ii) the Governor exercises his authority to suspend the regulatory process for solicitation of additional public comment, in which event the regulation, unless withdrawn, becomes effective on the date specified which date shall be after the expiration of the period for which the Governor has suspended the regulatory process.

Proposed action on regulations may be withdrawn by the promulgating agency at any time before final action is taken.

EMERGENCY REGULATIONS

If an agency determines that an emergency situation exists, it then requests the Governor to issue an emergency regulation. The emergency regulation becomes operative upon its adoption and filing with the Registrar of Regulations, unless a later date is specified. Emergency regulations are limited in time and cannot exceed a twelve-months duration. The emergency regulations will be published as quickly as possible in the *Virginia Register*.

During the time the emergency status is in effect, the agency may proceed with the adoption of permanent regulations through the usual procedures (See "Adoption, Amendment, and Repeal of Regulations," above). If the agency does not choose to adopt the regulations, the emergency status ends when the prescribed time limit expires.

STATEMENT

The foregoing constitutes a generalized statement of the procedures to be followed. For specific statutory language, it is suggested that Article 2 of Chapter 1.1:1 (§§ 9-6.14:6 through 9-6.14:9) of the Code of Virginia be examined carefully.

CITATION TO THE VIRGINIA REGISTER

The *Virginia Register* is cited by volume, issue, page number, and date. 1:3 VA.R. 75-77 November 12, 1984 refers to Volume 1, Issue 3, pages 75 through 77 of the *Virginia Register* issued on November 12, 1984.

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Staff of the Virginia Register: Joan W. Smith, Registrar of Regulations; Ann M. Brown, Deputy Registrar of Regulations.

VIRGINIA REGISTER OF REGULATIONS

PUBLICATION DEADLINES AND SCHEDULES

MATERIAL SUBMITTED BY 12 Noon Wednesday	PUBLICATION DATE
Volume III - 1986-87	
Dec. 17	Jan. 5
Dec. 31	Jan. 19
Jan. 14	Feb. 2
Jan. 28	Feb. 16
Feb. 11	Mar. 2
Feb. 25	Mar. 16
Index - 2nd Issue, Vol. III	
Mar. 11	Mar. 30
Mar. 25	Apr. 13
Apr. 8	Apr. 27
Apr. 22	May 11
May 6	May 25
May 20	June 8
June 3	June 22
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June 17	July 6
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July 15	Aug. 3
July 29	Aug. 17
Aug. 12	Aug. 31
Aug. 26	Sept. 14
Sept. 9	Sept. 28
Final Index - Vol. III	
Volume IV - 1987-88	
Sept. 23	Oct. 12
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Symbol Key

Roman type indicates existing text of regulations. *Italic type* indicates proposed new text. Language which has been stricken indicates proposed text for deletion.

BOARD OF EDUCATION

Title of Regulation: VR 270-01-0012. Standards for Accrediting Schools in Virginia.

Statutory Authority: § 22.1-16 of the Code of Virginia.

Public Hearing Date: June 11, 1987 - 7 p.m.
(See Calendar of Events section for additional information)

Summary:

The proposed accreditation standards govern the operation and administration of elementary, middle, and secondary education programs in the public schools of the Commonwealth of Virginia. These standards are designed to provide a foundation for quality education. Accreditation standards provide guidance and direction to assist schools to offer educational programs to meet the needs, interests, and aspirations of all students.

The accreditation process seeks to ensure that every public elementary, middle and secondary school in Virginia meets the minimum standards adopted by the Board of Education. These standards encompass the total school program and seek to ensure that every school-age child receives a quality education. They encourage localities to rise above established minimums and they provide the flexibility for localities to be innovative in carrying out their own philosophies and in meeting local educational needs.

VR 270-01-0012. Standards for Accrediting Schools in Virginia.

PART I. INTRODUCTION.

§ 1.1. These standards, with certain exceptions as cited in this document, shall become effective beginning with the 1988-89 school year. Students who complete the ninth grade prior to that year may earn a diploma by meeting the graduation requirements in effect when they entered the ninth grade. Identification of schools that are commendable and those that are educationally deficient will begin with the 1990-91 school year. The criteria for identifying these schools will become an addendum to these standards which will be reviewed again in 1990 or sooner, if deemed necessary, by the Board of Education.

PART II. PURPOSE OF ACCREDITATION.

§ 2.1. The standards for accreditation of schools in Virginia are designed to provide a foundation for quality education. Accreditation standards provide guidance and direction to assist schools in their continuing efforts to offer educational programs to meet the needs, interests, and aspirations of all students. The accreditation standards are designed to achieve the following objectives:

1. Seek to ensure that schools provide educational programs of high quality for all students.
2. Encourage continuous appraisal and improvement of the school program.
3. Foster public confidence.
4. Assure recognition by other institutions of learning.
5. Assist in identifying commendable schools.¹
6. Assist in identifying educationally deficient schools.¹

PART III. REQUIREMENTS FOR ACCREDITATION OF PUBLIC SCHOOLS IN VIRGINIA.

§ 3.1. Section 22.1-19 of the Code of Virginia includes the requirement that the Board of Education shall provide for the accreditation of public elementary and secondary schools in accordance with standards prescribed by it. The Standards of Quality specify that each school division shall maintain schools which meet those requirements for accreditation prescribed by the Board of Education.

PART IV. PROCEDURES FOR ACCREDITATION.

§ 4.1. Reports and accreditation status.

A. The principal of each school shall submit school accreditation reports, through the division superintendent, to the Department of Education. A Summer School Accreditation Report shall be submitted for each summer program conducted and shall be a part of the accreditation report for the regular school session immediately following the summer session. Report forms will be provided by the Department of Education. Failure to submit the reports on time will constitute grounds for withholding accreditation.

B. Information included in the reports, as well as that obtained through other records and through visits by Department of Education personnel or other designated

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representatives of the Board of Education, will be used to determine the accreditation status of each school in accordance with tolerances approved by the Board of Education. Schools will be accredited, accredited with a warning, or unaccredited, depending on the extent of existing deficiencies. Only those schools that are accredited with no deficiencies and no waivers will be eligible for consideration as commendable schools¹. All schools that are accredited with a warning or not accredited, may be considered educationally deficient¹. Each school division shall develop by July first of the next school year a written corrective action plan, acceptable to the Board of Education, for any school that is unaccredited or accredited with a warning.

C. Schools shall be accredited annually. The Board of Education may require immediate corrective action or change of accreditation status whenever significant deficiencies are reported by representatives of the Department of Education. Schools that lose their accredited status shall be considered for reaccreditation when subsequent reports and visits by Department of Education personnel reveal that prescribed standards are being met. The local school board shall review annually in public session the implementation of accreditation standards.

D. When a school applies for initial accreditation, a representative of the Department of Education shall visit the school to review the accreditation standards and procedures with the principal. A school with the number of deficiencies that would place it in the warned status will not be accepted for initial accreditation. No school in the warned category shall be permitted to maintain accreditation for more than one year.

§ 4.2. Self-study and review.

A self-study followed by a review by the Department of Education is required for all schools every 10 years. The process shall be conducted using criteria developed by the Department of Education and shall be followed by a written progress report and a review within five years. School divisions that have their own procedure for the process may request approval to use it in lieu of the state process for the five year report.

§ 4.3. Application of the standards.

A. These standards apply to schools for all grade levels, K-12, as listed below:

1. Schools with grades K-5 shall meet elementary school standards;
2. Schools with grades 6-8 shall meet the middle school standards; and
3. Schools with grades 9-12 shall meet the secondary school standards.

B. Schools with grade patterns other than those listed above shall meet elementary, middle, or secondary school standards as determined by the Accreditation Service of the Department of Education.

C. Standards that are not appropriate to special education or to vocational and alternative programs housed in separate facilities will not be applied so long as state regulations governing services to the students enrolled are met.

PART V. SCHOOL AND COMMUNITY RELATIONS: STANDARD A.

§ 5.1. Each school shall have in effect a written plan that promotes interaction with the community and that fosters mutual understanding in providing a quality educational program. The plan shall be developed using the following criteria:

1. Parents, citizens, and representatives from business and industry shall be provided opportunities to participate on advisory committees, in curriculum studies, and in evaluating the educational program.
2. A written plan shall be provided for interpreting the school program to the community. (Include in biennial plan)
3. A close working relationship shall be maintained between the school and other community agencies that provide services to students.
4. Schools shall have written plans for cooperating with business and industry in formulating educational programs and conducting joint enterprises involving personnel, facilities, and training programs, and other resources. (Include in biennial plan)
5. The staff shall be responsible for using the resources of the community and involving parents and citizens in the following:
 - a. Evaluating the school program; and
 - b. Developing the biennial school plan.
6. The school shall encourage and support the establishment of a Parent-Teacher Association/Organization and shall work cooperatively with it.

PART VI. PHILOSOPHY, GOALS, AND OBJECTIVES: STANDARD B.

§ 6.1. Each school shall have current written statements of its philosophy and objectives that shall serve as the basis for all school policies and practices. Such statement shall be developed using the following criteria.

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1. The philosophy and objectives shall be developed with the assistance of professional and lay people who represent the various populations served by the school.
2. The school's philosophy and objectives shall be consistent with the Standards of Quality and the philosophy and objectives of the school division.
3. The individual school's philosophy and objectives shall be based on a realistic and systematic needs assessment.
4. The objectives for students shall be stated in terms of skills, abilities, and attitudes to be developed.
5. The school staff and community representatives shall review biennially the philosophy and objectives of the school and shall revise them as needed.
6. Copies of the school's philosophy and objectives shall be available to staff members, students, and parents.
7. The school's philosophy and objectives shall be the basis for the biennial school plan.

PART VII. INSTRUCTIONAL PROGRAM: STANDARD C.

§ 7.1. Each school shall provide a planned and balanced program of instruction that is in keeping with the abilities, interests, and educational needs of students and that promotes individual student achievement.

§ 7.2. Instructional program in elementary schools.

A. Each elementary school shall provide instruction in the following subjects:

- Art Music
- Health Physical Education
- Language Arts Science
- Mathematics Social Studies
..... (to include Virginia and U.S. Geography)

B. In grades 1-3, reading, writing, spelling, listening, speaking, and mathematics shall be the core of the program. Phonics shall be taught in reading. All other subjects shall be taught emphasizing reading and the other language skills.

C. Students not reading at or above grade level after grade 3, as determined by local or state assessment, shall receive additional instruction in reading. This instruction may not be substituted for reading instruction in language arts or mathematics.

§ 7.3. Instructional program in middle schools.

A. Each middle level school shall provide a program of learning experiences organized to meet the needs of early adolescence and shall provide instruction in the following subjects:

- Art Music
- Health Physical Education
- Language Arts Science (Laboratory)
- Mathematics Social Studies
..... (to include World Geography)
- Vocational Education
- Foreign Language ²

B. The eighth grade shall provide a minimum of eight offerings in five academic areas (language arts, mathematics, science, social studies, and electives), health and physical education, fine arts, and vocational education.

C. Students not reading at or above grade level, as determined by local or state assessment, shall receive additional instruction in reading. This instruction may not be substituted for reading instruction in language arts or mathematics.

§ 7.4. Instructional program in secondary schools.

A. Each secondary school shall offer options for students to pursue a program of studies in several academic and vocational areas. These options shall include the following:

1. Vocational education choices that prepare the student with a marketable skill in one of three or more occupational areas;
2. Academic choices that prepare the student for technical or preprofessional programs of higher education;
3. Liberal arts choices that prepare the student for college-level studies in the arts and sciences;
4. Access to at least two advanced placement courses or two college level courses for credit; and
5. Preparation for scholastic aptitude tests, including as a minimum, a review of appropriate English and mathematics principles and instructions in taking the tests, shall be available for students.

B. Minimum course offerings for each secondary school shall be as follows:

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Academic Subjects	23

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English	(4)	
Mathematics	(4)	
Science (Laboratory)	(4)	
Social Studies (to include World History and World Geography)	(4)	
Foreign Language	(3)	
Electives	(4)	
Vocational Education		11
Fine Arts		2
Health and Physical Education		2
Total Units		38

C. Students not reading at or above grade level, as determined by local or state assessment, shall receive additional instruction in reading. This instruction may not be substituted for language arts or mathematics.

D. When health and physical education are taught as a combination class, at least 40% of the instructional time shall be devoted to health education. Classroom driver education may count for 36 class periods of health education. Students should not be removed from classes in required courses other than health and physical education for the in-car phase of driver education.

E. The social studies offering shall include at least one-half unit in economics.

§ 7.5. The standard unit of credit for graduation shall be based on a minimum of 150 clock hours of instruction. When credit is awarded in less than whole units, the increment awarded shall be no greater than the fractional part of the 150 hours of instruction provided. If a school division elects to award credit on a basis other than the standard unit of credit, the locality shall develop a written policy approved by the superintendent and school board in accordance with guidelines approved by the Board of Education.

§ 7.6. The summer school program shall be equal in quality to the program offered during the regular school term:

1. One unit of new credit per summer session shall be the maximum for which a student may enroll; however, high school seniors who lack two units in meeting graduation requirements may be allowed, with approval of the principal, to enroll in two new subjects.
2. Credit for repeated work ordinarily will be granted

on the same basis as that for new work. With prior approval of the principal, certain students may be allowed to enroll in two repeat subjects to be completed in not less than 75 clock hours of instruction per unit of credit.

3. Summer school instruction which is provided as part of a remedial program shall be designed to improve specific identified student deficiencies.

§ 7.7. Locally developed elective courses offered for credit toward high school graduation shall be approved by the division superintendent and school board. When suitable course code numbers for reporting purposes cannot be found in the School Administrators Handbook of Course Codes and Endorsement Codes, they will be assigned, upon request, through the Accreditation Service of the Department of Education.

§ 7.8. Students who begin postsecondary education prior to high school graduation shall receive credit toward high school graduation when the following conditions are met:

1. Prior written approval of the high school principal has been obtained;
2. The course(s) for which high school credit is to be issued corresponds to that needed for high school graduation (i.e., one year of college English for one credit of English); and
3. High school credit shall not be awarded for noncredit college courses.

§ 7.9. The high school vocational education program shall be competency-based so that students can develop the knowledge, skills, and attitudes required for employment or advanced occupational preparation.

§ 7.10. Each secondary school shall provide special college preparation programs for minority students.

§ 7.11. The standard school year shall be 180 days, or 990 hours of instruction. The standard school day for students in grades 1-12 shall average at least 5-1/2 hours, excluding intermissions for meals and a minimum of three hours for kindergarten. School divisions may develop alternative schedules for meeting these requirements as long as a minimum of 990 hours of instructional time is provided for grades 1-12 and 540 hours for kindergarten. Such alternative plans shall be approved by the local school board and by the Board of Education.

§ 7.12. All students in grades 1-12 shall maintain a full-day schedule of classes (5-1/2 hours), unless a waiver is granted by the local superintendent of schools.

§ 7.13. Each school shall implement Standards of Learning Objectives or locally developed objectives that are equivalent to or exceed Board of Education requirements.

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§ 7.14. Each school shall implement a program to reduce the academic performance gap between black students and white students by raising the performance level of the lower group.

§ 7.15. Each school shall implement a remediation program, including summer school, to reduce the number of students who score in the bottom quartile on Virginia State Assessment Program Tests or those who fail the state's literacy tests.

§ 7.16. Each school shall prepare and adhere to a written plan to teach appropriate writing skills at every grade level which shall include specific requirements and which culminates with a research paper in grade 12. Further, each student shall be required to make an oral presentation on the research paper before an adult or student audience. (Include in biennial plan)

§ 7.17. Each school shall provide for the earliest possible identification of gifted students and enrollment of such students in challenging instructional programs taught by appropriately trained teachers.

§ 7.18. Handicapped students shall be identified and offered a curriculum that is appropriate to their needs, as required by law.

§ 7.19. By graduation, each student shall receive instruction designed to help him achieve the objectives outlined in Computer Literacy for Students in Virginia issued by the Department of Education.

§ 7.20. Homebound instruction shall be made available to students who are confined for periods that would prevent normal educational progress. Homebound instruction shall be approved for credit, provided Board of Education regulations governing such instruction are met.

§ 7.21. When approved by the principal, students may be allowed to enroll in supervised correspondence courses in subjects not available to them through the school's schedule. Credit may be awarded for the successful completion of such courses when the work is done under the supervision of a certified teacher approved by local school authorities.

§ 7.22. Homework shall be governed by a written school board policy developed with the involvement of parents and teachers. The policy shall include guidelines for the amount and timing of homework and shall outline the responsibility of students, teachers, and parents. (Include in biennial plan)

§ 7.23. Experimental and innovative programs that are in conflict with accreditation standards shall be submitted to the Department of Education for approval prior to implementation. The request shall include the purpose, objectives, outline, and evaluation procedures for the programs, and shall be approved by the local school board.

§ 7.24. Each school shall provide a variety of materials and equipment to support the instructional program.

§ 7.25. School-sponsored extracurricular activities shall be under the direct supervision of the staff and shall contribute to the educational objectives of the school. Extracurricular activities shall be organized to avoid interrupting the instructional program. Extracurricular activities shall not be permitted to interfere with the student's required instructional activities. Extracurricular activities and eligibility requirements shall be established and approved by the superintendent and the school board. Activities which help a student meet the objectives of the course may be considered part of the instructional program; they are not considered extracurricular activities as long as they do not interfere with instruction in other courses.

§ 7.26. Competitive sports of a varsity nature (scheduled league games) shall be prohibited as a part of the elementary school program.

PART VIII.

INSTRUCTIONAL LEADERSHIP: STANDARD D.

§ 8.1. The principal shall be responsible for instructional leadership and effective school management that promotes achievement of individual students. The principal shall be responsible for the following:

1. An atmosphere of mutual respect and courtesy shall be a primary goal of the school, and the administrative staff shall make every effort to achieve it.
2. The staff shall establish and include in the teachers' handbook procedures to protect instructional time from interruptions and intrusions.
3. The staff shall prepare and adhere to a written plan involving greater use of aids, volunteers, part-time instructors, and technology to assist teachers. (Include in biennial plan)
4. The regular school day shall be limited to teaching and learning activities.
5. The administrative staff shall monitor and evaluate the quality of instruction through the following:
 - a. The establishment of written objectives for each teacher, developed cooperatively by the teacher and the administrator;
 - b. A systematic program of classroom observation and follow-up consultation with each teacher;
 - c. In-service training and professional assistance and support designed to improve instruction;
 - d. Analysis and use of data on pupil achievements;

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and

- e. An evaluation of each teacher at least every two years.
6. At least 40% of the time of the principal and an average of 40% of the time of the assistant principal(s) shall be devoted to supervision of instruction and curriculum development.
7. The principal shall analyze test scores and develop plans to improve them when needed. Plans shall be submitted to local school division superintendent.
8. The staff shall prepare and adhere to a written biennial school plan which includes the other written plans required in these standards, approved by the division superintendent, that is consistent with the division's six-year plan.
9. The staff shall be responsible for using the resources of the community and for involving parents and citizens in the educational program, as indicated in Standard A.
10. Each school shall prepare and adhere to written procedures to recognize and reward the scholastic achievements of students. (Include in biennial plan)
11. The administrative staff shall demonstrate high expectations for all students.
12. The administrative staff shall act to reduce the number of students who drop out of school by:
 - a. Including dropout prevention programs in the biennial school plan and implementing these programs;
 - b. Providing alternative programs with emphasis on basic skills for students who are not successful in regular instructional programs;
 - c. Providing counseling services that motivate students to stay in school;
 - d. Establishing and maintaining close contact with parents of potential dropouts;
 - e. Conducting interviews with potential dropouts and with students who are dropping out of school;
 - f. Maintaining records of dropouts, including actions taken to prevent students from dropping out of school, and their reasons for leaving school; and
 - g. Other activities deemed appropriate by local school authorities.
13. The staff with the assistance of parents shall develop a written procedure for referring for

treatment students identified as involved in substance abuse. (Include in biennial plan)

14. Each member of the administrative staff shall participate annually in state or local in-service programs designed specifically for administrators.
15. Each school shall maintain a current handbook of policies and procedures that includes the school division's standards of student conduct and procedures for enforcement, along with other matters of interest to parents and students.
16. Each school shall maintain records of receipts and disbursements of funds handled. These records shall be audited annually by a professional accountant approved by the local school board.
17. Each school shall maintain a current record of certification, endorsement, and in-service training of the staff.
18. Fund-raising activities which involve elementary students in door-to-door solicitation shall be prohibited and so stated in the school handbook.
19. Each school shall have a written procedure to be followed when students or staff are injured or become ill and keep documentation of all injuries which occur at school and on school buses. (Include in biennial plan)
20. Each school shall have at least two full-time staff members trained in all of the following: cardiopulmonary resuscitation (CPR), Heimlich maneuver (for choking), and basic first aid.

PART IX. DELIVERY OF INSTRUCTION: STANDARD E.

§ 9.1. The staff shall provide instruction that is educationally sound in an atmosphere conducive to learning and in which students are expected to achieve the following:

1. Mutual respect, courtesy, and a genuine concern for all students shall be evident in the learning environment.
2. Staff members shall serve as models for effective oral and written communication with special attention to correct use of language and spelling.
3. Each teacher shall be responsible for strengthening the basic skills of students in all subjects taught.
4. Daily teaching objectives shall be established to achieve the following:
 - a. Identify what students are expected to learn;

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b. Inform students of the learning expected and keep them engaged in learning tasks; and

c. Enable the teacher to spend the maximum time possible in the teaching/learning process by keeping to a minimum disruptions, clerical responsibilities, and the time students are out-of-class.

5. The staff shall provide for individual differences of students through the use of varied materials and activities suitable to their interests and abilities.

6. The staff shall access the progress of students and report promptly and constructively to them and their parents.

7. The staff shall demonstrate a high expectation of learning for all students.

8. Classroom activities shall be structured and monitored to minimize disruptive behavior.

9. Inappropriate behavior by a student shall be responded to quickly and consistently without demeaning the student responsible for the behavior.

10. Guidance and counseling programs shall be provided for all students in grades K-12, to achieve the following:

a. Ensure that individual curriculum planning is provided to assist each student in selecting appropriate and challenging courses;

b. Provide opportunities for parents, teachers, and other adults to participate in planned activities that encourage the personal, social, educational, and career development of students;

c. Provide employment counseling and placement services to furnish information about employment opportunities available to students graduating from or leaving school;

d. Provide for the coordination of a testing program that includes orientation to test-taking, use of test data, and the interpretation and use of student records data;

e. Provide for the evaluation of the guidance program by the principal, counselor(s), staff, and parents;

f. Ensure that at least 60% of the time of each member of the guidance staff shall be devoted to activities which will result in every student receiving counseling services each year; and

g. Ensure that each student has a balanced program of studies each year, including at least one mathematics or laboratory science course in grades

11 or 12.

11. The library media center shall be organized as the resource center of the school and shall provide a unified program of media services and activities for students and teachers before, during, and after school. The library media center shall have the following:

a. An average monthly circulation of print and nonprint materials equal to at least 70% of the school membership;

b. A schedule that provides for library use by all students;

c. A written policy for the selection, evaluation, withdrawal, and disposal of all instructional materials purchased by the school division, with clearly stated procedures for handling challenged, controversial materials;

d. Cataloging of all library media in the school, which promotes accessibility and ease of retrieval, including a functional loan system, an annual inventory of materials and equipment, and a procedure for screening and discarding media;

e. An information file that reflects curriculum needs and contains pamphlets, clippings, pictures, and information about local resources;

f. A minimum of two complete sets of encyclopedias, one of which has been copyrighted within the last five years;

g. An unabridged dictionary and abridged dictionaries;

h. Newspaper subscription(s) providing daily, local, state, and national news;

i. Fifteen subscriptions to periodicals for elementary schools and 25 subscriptions for middle and secondary schools that are pertinent to the school program;

j. A current and accessible professional library in each school, or in a centralized instructional media center in the school division;

k. Materials such as prints, charts, posters, recordings (disc and tape), filmstrips, multimedia kits, models, study prints, slides, transparencies, videotapes, videodiscs, computer software, and maps and globes that are carefully selected to meet the needs of the instructional program;

l. Collection requirements (20% of which may be nonprint instructional material) for each library media center shall be as follows:

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(1) Ten books per student in elementary schools;

(2) In middle and secondary schools, a basic collection of 1,000 well-selected titles. (In schools with more than 150 students there shall be a minimum of seven books per student); and

(3) Fifty percent of the minimum basic collection shall be available for circulation during the first semester in a new school.

m. Librarians involved with teachers and administrators in planning the school curriculum; and

n. Functional equipment to support the use of audiovisual materials.

PART X. STUDENT ACHIEVEMENT: STANDARD F.

§ 10.1. Each school shall provide learning objectives to be achieved by students at successive levels of development and shall continually assess the progress of each student in relation to these objectives and the goals of education in Virginia. The goals of public education in Virginia are to aid each pupil to the full extent of his abilities, to accomplish the following:

1. Develop competence in the basic learning skills;
2. Develop the intellectual skills of rational thought and creativity;
3. Acquire knowledge and process skills of science and technology;
4. Progress on the basis of achievement;
5. Qualify for further education or employment;
6. Develop personal standards of ethical behavior and moral choice;
7. Participate in society as a responsible family member and citizen;
8. Develop a positive and realistic concept of self and others;
9. Practice sound habits of personal health and physical fitness;
10. Enhance the quality of the environment;
11. Develop skills, knowledge, and attitudes regarding the arts;
12. Acquire a basic understanding and appreciation of democracy and the free enterprise system; and

13. Develop the qualities of patriotism, honesty, and fair play.

§ 10.2. Students shall pass literacy tests in reading, writing, and mathematics to be promoted to the ninth grade except for identified handicapped students who are progressing according to the objectives of their individualized education program (IEP). Students transferring to a Virginia public school prior to the ninth grade shall also be required to pass the literacy tests in order to be promoted to the ninth grade. Students who are not promoted shall be enrolled in alternative programs leading to one or more of the following:

1. Passing the literacy tests;
2. High school graduation;
3. General Educational Development (GED) Certificate;
4. Certificate of program completion; and
5. Job-entry skills.

§ 10.3. Graduation requirement.

A. To graduate from high school, a student shall meet the minimum requirements for the 21-credit diploma outlined below for grades 9-12. Students who graduate with an average grade of "B" or better will receive a Board of Education Seal on the diploma.

9-12

English	4
Mathematics ³	2
Laboratory Science ³	2
Math or Science ⁴	1
Social Studies:	3
Virginia and United States History ¹ ,	
Virginia and United States Government ¹ ,	
World Studies (World Culture, World History, World Geography) ¹	
Health and Physical Education	2
Fine Arts	1
Electives	6
Total Units	21

B. Each secondary school shall offer as an elective for students, an Advanced Studies Program which requires a minimum of 23 units of credit as outlined below for grades 9-12. Students who graduate with an average grade of "B" or better and successfully complete at least one advanced placement course (AP) or one college level course for credit will receive a Governor's Seal on the diploma.

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	9-12
English	4
Mathematics	3
Laboratory Science	3
Social Studies:	3
Virginia and United States History ¹ ,	
Virginia and United States Government ¹	
World Studies (World Cultures, World History or World Geography) ¹	
Foreign Language	3
(3 years of one language or 2 years each of 2 languages)	
Health and Physical Education 2	
Fine Arts	1
Electives	4
Total Units	23

C. To earn an Advanced Studies Diploma, students shall complete a mathematics sequence that includes Algebra I and two courses above the level of Algebra I, and a science sequence that includes three units from earth science, biology, chemistry, and physics.

D. When students below the ninth grade successfully complete ninth, tenth, eleventh or twelfth grade subjects, credit shall be counted toward meeting the units required for graduation in grades 9-12. Students shall be encouraged to take advantage of this option.

E. Students who are graduating from a secondary school, and do not intend to continue their education shall have identified marketable skills.

F. Students completing graduation requirements in a summer school accredited under these standards shall be eligible for a diploma. The last school attended by the student during the regular session shall award the diploma.

§ 10.4. Transfer of credits.

A. A secondary school shall accept credits received from other accredited secondary schools, including summer schools, special sessions, schools accredited by the Virginia Council for Private Education and educational programs operated by the Commonwealth. Credit also shall be accepted for courses satisfactorily completed in accredited colleges and universities when prior written approval of the principal has been granted.

B. Records of transferred students shall be sent directly to the school receiving the student upon request of the receiving school.

C. The transcript of a student who graduates or transfers from a Virginia secondary school shall show that a minimum of 21 units of credit courses in grades 9-12 are required for graduation.

D. Students transferring into a Virginia School division shall be required to earn 21 units of credit or the equivalent for graduation. Each student's prior record shall be evaluated to determine the number and content of additional credits required for graduation. Specified courses normally taken at lower grade levels shall not be required, provided the student has completed the courses required at those grade levels by the school division or state from which he transferred. Students transferring from states not giving credit for health and physical education shall not be required to repeat these courses.

§ 10.5. Students who have met the requirements and conditions set forth in these standards and handicapped students who have completed the requirements of an individualized education program shall be awarded the appropriate diploma or certificate. The last school attended by the student during regular session shall award the diploma or certificate unless otherwise determined by the two superintendents.

PART XI. STAFFING: STANDARD G.

§ 11.1. Each school shall have the required staff with proper certification and endorsement.

A. The following shall be the minimum staffing according to type of school and student enrollment:

Position: Principal; Elementary: 1 half-time to 299, 1 full-time at 300; Middle: 1 full-time; Secondary: 1 full-time.

Position: Assistant Principal; Elementary: 1 half-time at 600, 1 full-time at 900; Middle: 1 full-time each 600; Secondary: 1 full-time each 600.

Position: Librarian; Elementary: Part time to 299, 1 full-time at 300; Middle: 1 half-time to 299, 1 full-time at 300, 2 full-time at 1000; Secondary: 1 half-time to 299, 1 full-time at 300, 2 full-time at 1000.

Position: Guidance Counselors; Elementary: 1 hour per day per 100³, 1 full-time at 500³, 1 hour per day³ additional time per 100 or major fraction; Middle: 1 period per 80, 1 full-time at 400, 1 additional period per 80 or major fraction; Secondary: 1 period per 70, 1 full-time at 350, 1 additional period per 70 or major fraction.

Position: Clerical; Elementary: Part time to 299, 1 full-time at 300; Middle: 1 full-time and 1 additional full-time for each 600 beyond 200 and 1 full-time for the library at 750; Secondary: 1 full-time and 1 additional full-time for each 600 beyond 200 and 1 full-time for the library at 750.

B. A combined school, such as K-12, shall meet at all grade levels the staffing requirements for the highest grade level in that school. This requirement shall apply to all staff, except the guidance staff, and shall be based on the school's total enrollment. The guidance staff requirement shall be based on the enrollment at the

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various school organization levels as defined in § 4.3, application of standards.

C. The principal of each middle level and secondary school shall be employed on a 12-month basis.

D. Each secondary school with 350 or more students and each middle level school with 400 or more students shall employ at least one member of the guidance staff for 11 months.

At the discretion of local school authorities, an alternative staffing plan may be developed which ensures that the services set forth in these standards are met. Any alternative staffing plan shall be submitted to the Accreditation and Evaluation Service, Department of Education, for approval. An alternative staffing plan that reduces the number of staff positions will not be acceptable.

E. The maximum number of students in Average Daily Membership per certified classroom teacher for grades K-3 shall be the number required by the Standards of Quality.

F. The maximum number of students in Average Daily Membership per certified classroom teacher for grades 4-7 in elementary schools shall not exceed 35.

G. Each school shall have a student-teacher ratio (based on full-time equivalent teachers and excluding administrators, librarians, and guidance personnel) that does not exceed 25-1.

H. In grade 1 and in English classes (grades 6-12), the number of students per teacher shall not exceed the number required by the Standards of Quality.

I. Middle level school teachers with a seven period day may teach 30 class periods per week, provided all teachers with more than 25 class periods per week have one period per day unencumbered of all teaching or supervisory duties.

J. The secondary classroom teacher's standard load shall be no more than 25 class periods per week. One class period each day, unencumbered by supervisory or teaching duties, shall be provided for every full-time classroom teacher for instructional planning. Teachers of block programs with no more than 120 student periods per day may teach 30 class periods per week. Teachers who teach very small classes may teach 30 class periods per week, provided the teaching load does not exceed 75 student periods per day. If a classroom teacher teaches 30 class periods per week with more than 75 student periods per day (120 in block programs) an appropriate contractual arrangement and compensation shall be provided.

K. Middle level or secondary school teachers shall teach no more than 750 student periods per week; however, physical education and music teachers may teach 1,000 student periods per week.

L. Every effort shall be made to provide staff members with an unencumbered lunch period.

M. The number of students in special and vocational education classrooms shall comply with regulations of the Board of Education.

N. Custodial services shall be available to keep the school plant and grounds safe and clean.

O. Pupil personnel services, including visiting teachers/school social workers, school psychologists, and guidance counselors, shall be available to all students as necessary, especially to provide assistance in preventing dropouts and drug abuse.

PART XII.

BUILDINGS AND GROUNDS: STANDARD H.

§ 12.1. The school building shall accommodate an educational program that will meet the needs of the students and ensure the health and safety of students and staff as follows:

1. The school site and physical plant shall be accessible, barrier-free, safe, clean, and free from excessive noise and other distractions, and shall be adequate in size to meet the needs of the students enrolled.

2. Each school shall prepare and adhere to a written plan of vehicular traffic control designed to ensure safe and prompt movement of students, staff, and visitors.

3. Each school shall have a written plan to follow in emergencies. The plan shall be outlined in the student handbook and discussed with staff and students during the first week of each school year.

4. All exit doors in a school shall be equipped with panic bars that are usable while the building is occupied.

5. Records shall be maintained to show that fire drills are held once a week during the first month of school and at least once each month for the remainder of the school term. Evacuation routes for students shall be posted in each room.

6. The principal shall be responsible for conducting one fire inspection during each semester in accordance with regulations contained in the Fire Inspection Guide for Schools.

7. Each school shall have provisions for the proper outdoor display of the flags of the United States and of the Commonwealth of Virginia.

8. Each school plant shall have a maintenance and housekeeping program designed to ensure a healthful

and pleasant learning environment.

9. The administrative unit shall have space for a principal's office, secretarial assistance, and record storage.

10. Suitable space shall be made available for student personnel services.

11. The school media center shall have adequate space to provide for the collection and circulation of instructional materials, and adequate seating for group activities.

12. Adequate, safe, and properly-equipped laboratories shall be provided to meet the needs of instruction in the sciences, computers, vocational, and fine arts.

13. Each school shall have appropriate areas and facilities for the physical education program offered. Secondary schools shall have locker rooms and showers.

14. Adequate and properly-equipped classroom space shall be provided.

15. The school plant and grounds shall be kept safe and clean with the responsibility for the care of buildings and grounds shared by staff and the students.

16. Space shall be provided for the proper care of students who become ill.

Footnotes:

¹ To become effective for the 1990-91 school year.

² Level one of a foreign language shall be available to all eighth grade students. An exploratory foreign language offering is encouraged for students below grade 8, but will not be required until electronic classroom technology makes this program available.

³ Must be selected from a list of courses approved for graduation requirements by the Board of Education. Only one year of a course in general mathematics may be used to meet the mathematics requirement.

⁴ Must be selected from a list of courses approved for graduation requirements by the Board of Education or, as an alternative, this requirement may be met by completing an appropriate sequence of courses in vocational education or JROTC.

⁵ To become effective for the 1989-90 school year.

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VIRGINIA HOUSING DEVELOPMENT AUTHORITY

NOTE: The Virginia Housing Development Authority is exempted from the Administrative Process Act (§ 9-6.14.4 of the Code of Virginia); however, under the provisions of § 9-6.14.22, it is required to publish all proposed and final regulations.

Title of Regulation: VR 400-01-0001. Rules and Regulations.

Statutory Authority: § 36-35.30:3 of the Code of Virginia.

Public Hearing Date: N/A

Summary:

The proposed amendments to the Rules and Regulations implement certain legislative amendments to the Virginia Housing Development Authority Act by specifying that the "original principal amount" of mortgage loans to housing sponsors of multi-family rental housing developments may not exceed the statutory maximum amount, by making discretionary such housing sponsors' maximum annual limited dividend distribution, by permitting such housing sponsors' maximum annual limited dividend distribution, by permitting such housing sponsors' equity to be determined based on fair market value, and by providing that the authority's regulatory powers to supervise such housing sponsors under § 36-55.34:1 of the Code of Virginia shall be subject to the terms of agreements relating to the authority mortgage loan. The proposed amendments also clarify the manner for determining adjusted family income and sales price limits for housing financed or otherwise assisted by the federal government.

VR 400-01-0001. Rules and Regulations.

PART I. GENERAL PROVISIONS.

§ 1.1. Definitions.

The following words and terms, when used in these regulations, shall have the following meaning, unless the context clearly indicates otherwise:

"Act" means the Virginia Housing Development Authority Act, being Chapter 1.2 (§ 36-55.24, et seq.) of Title 36 of the Code of Virginia.

"Adjusted family income" means the total annual income of a person or all members of a family residing or intending to reside in a dwelling unit, from whatever source derived and before taxes or withholdings, less the total of the credits applicable to such person or family, computed in accordance with the following: (i) a credit in an amount equal to \$1,000 for each dependent family member other than such a family member qualifying

under (vi) below; (ii) a credit in an amount equal to the lesser of \$1,000 or 10% of such total annual income; (iii) a credit in an amount equal to all income of such person or any such family member of an unusual or temporary nature and not related to such person's or family member's regular employment, to the extent approved by the executive director; (iv) a credit in an amount equal to all earnings of any family member who is a minor under 18 years of age or who is physically or mentally handicapped, as determined on the basis of medical evidence from a licensed physician or other appropriate evidence satisfactory to the executive director; (v) a credit in an amount equal to such person or family's medical expenses, not compensated for or covered by insurance, in excess of 3.0% of such total annual income; and (vi) a credit in an amount equal to 1/2 of the total annual income of all family members over 18 years of age who are secondary wage earners in the family, provided, however, that such credit shall not exceed the amount of \$2,500. If federal law or rules and regulations impose limitations on the incomes of the persons or families who may own or occupy a single family dwelling unit or multi-family residential housing development, the authority may provide in its procedures, instructions and guidelines promulgated pursuant to § 1.3 of these rules and regulations that the adjusted family income shall be computed, for the purpose of determining eligibility under § 1.2 of these rules and regulations for ownership or occupancy of such single family dwelling unit or the dwelling units in such multi-family residential housing development (or, if so provided in the procedures, instructions and guidelines, only those dwelling units in such development which are subject to such federal income limitations), in the manner specified by such federal law or rules and regulations (subject to such modifications as may be provided in or authorized by the procedures, instructions and guidelines) rather than in the manner provided in the preceding sentence.

"Applicant" means an individual, corporation, partnership, limited partnership, joint venture, trust, firm, association, public body or other legal entity or any combination thereof, making application to receive an authority mortgage loan or other assistance under the Act.

"Application" means a request for an authority mortgage loan or other assistance under the Act.

"Authority" means the Virginia Housing Development Authority.

"Authority mortgage loan" or "mortgage loan" means a loan which is made or financed or is to be made or financed, in whole or in part, by the authority pursuant to these rules and regulations and is secured or is to be secured by a mortgage.

"Board" means the Board of Commissioners of the authority.

"Dwelling unit" means a unit of living accommodations

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intended for occupancy by one person or family.

"Executive director" means the executive director of the authority or any other officer or employee of the authority who is authorized to act on behalf of the authority pursuant to a resolution of the board.

"Family" means, in the context of the financing of a single family dwelling unit, two or more individuals related by blood, marriage or adoption, living together on the premises as a single nonprofit housekeeping unit. In all contexts other than the financing of a single family dwelling unit, "family" means two or more individuals living together in accordance with law.

"FHA" means the Federal Housing Administration and any successor entity.

"Limited For-profit housing sponsor" means a housing sponsor which is organized for profit and agrees may be required by the authority to agree to limit its profit in connection with the sponsorship of authority financed housing in accordance with the terms and conditions of the Act and these rules and regulations and subject to the regulatory powers of the authority.

"Multi-family dwelling unit" means a dwelling unit in multi-family residential housing.

"Nonprofit housing sponsor" means a housing sponsor which is organized not for profit and agrees may be required by the authority to agree not to receive any limited dividend distributions from the ownership and operation of a housing development.

"Person" means:

1. An individual who is 62 or more years of age;
2. An individual who is handicapped or disabled, as determined by the executive director on the basis of medical evidence from a licensed physician or other appropriate evidence satisfactory to the executive director; or
3. An individual who is neither handicapped nor disabled nor 62 or more years of age; provided that the board may from time to time by resolution (i) limit the number of, fix the maximum number of bedrooms contained in, or otherwise impose restrictions and limitations with respect to single family dwelling units that may be financed by the authority for occupancy by such individuals and (ii) limit the percentage of multi-family dwelling units within a multi-family residential housing development that may be made available for occupancy by such individuals or otherwise impose restrictions and limitations with respect to multi-family dwelling units intended for occupancy by such individuals.

"Rent" means the rent or other occupancy charge

applicable to a dwelling unit within a housing development operated on a rental basis or owned and operated on a cooperative basis.

"Single family dwelling unit" means a dwelling unit in single family residential housing.

Terms defined in the Act and used and not otherwise defined herein shall have the same meaning ascribed to them in the Act. Such terms, when used herein, are capitalized.

§ 1.2. Eligibility for occupancy.

A. The board shall from time to time establish, by resolution or by procedures, instructions and guidelines pursuant to § 1.3 of these rules and regulations, income limitations with respect to single family dwelling units financed or to be financed by the authority. Such income limits may vary based upon the area of the state, type of program, the size and circumstances of the person or family, the type and characteristics of the single-family dwelling unit, and any other factors determined by the board to be necessary or appropriate for the administration of its programs. To be considered eligible for the financing of a single family dwelling unit, a person or family shall not have an adjusted family income which exceeds the applicable income limitation established by resolution of the board. It shall be the responsibility of each applicant for the financing of a single family dwelling unit to report accurately and completely his adjusted family's income, family composition and such other information relating to eligibility for occupancy as the executive director may require and to provide the authority with verification thereof.

B. To be considered eligible for initial occupancy of a multi-family dwelling unit financed by an authority mortgage loan, a person or family shall not have an adjusted family income greater than seven times the total annual rent, including utilities except telephone, applicable to such dwelling unit; provided, however, that the board may from time to time establish, by resolution or by procedures, instructions and guidelines pursuant to § 1.3 of these rules and regulations, lower income limits for initial occupancy of such dwelling unit.

C. It shall be the responsibility of the housing sponsor to examine and determine the income and eligibility of applicants for occupancy of multi-family dwelling units, report such determinations to the authority in such form as the executive director may require, reexamine and redetermine the income and eligibility of all occupants of such dwelling units every two years or at more frequent intervals if required by the executive director, and report such redeterminations to the authority in such form as the executive director may require. It shall be the responsibility of each applicant for occupancy of a multi-family dwelling unit, and of each occupant of such dwelling units, to report accurately and completely his adjusted family's income, family composition and such

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other information relating to eligibility for occupancy as the executive director may require and to provide the housing sponsor and the authority with verification thereof at the times of examination and reexamination of income and eligibility as aforesaid.

D. With respect to a person or family occupying a multi-family dwelling unit, if a periodic reexamination and redetermination of the adjusted family's income and eligibility as provided in subsection C of this section establishes that such person's or family's adjusted family income then exceeds the maximum limit for ~~initial~~ occupancy of such dwelling unit applicable at the time of such reexamination and redetermination, such person or family shall be permitted to continue to occupy such dwelling unit; provided, however, that during the period that such person's or family's adjusted family income exceeds such maximum limit, such person or family may be required by the executive director to pay such rent, carrying charges or surcharge as determined by the executive director in accordance with a schedule prescribed or approved by him. If such person's or family's adjusted family income shall exceed such maximum limit for a period of six months or more, the executive director may direct or permit the housing sponsor to terminate the tenancy or interest by giving written notice of termination to such person or family specifying the reason for such termination and giving such person or family not less than 90 days (or such longer period of time as the authority shall determine to be necessary to find suitable alternative housing) within which to vacate such dwelling unit. If any person or family residing in a housing development which is a cooperative is so required to be removed from the housing development, such person or family shall be discharged from any liability on any note, bond or other evidence of indebtedness relating thereto and shall be reimbursed for all sums paid by such person or family to the housing sponsor on account of the purchase of stock or debentures as a condition of occupancy in such cooperative and any additional sums payable to such person or family in accordance with a schedule prescribed or approved by the authority, subject however to the terms of any instrument or agreement relating to such cooperative or the occupancy thereof.

§ 1.3. Procedures, instructions and guidelines.

The board may from time to time by resolution establish and modify procedures, instructions and guidelines for the implementation and administration of programs established under these rules and regulations. Such procedures, instructions and guidelines may include and, where deemed appropriate by the board, may authorize the executive director to establish and modify, such requirements, conditions and standards as may be deemed necessary or appropriate for the purpose of implementing and administering such programs, subject to and consistent with the requirements of the Act and these rules and regulations. Upon promulgation, such procedures, instructions and guidelines shall be available to the public

upon request.

§ 1.4. Forms.

Forms of documents, instruments and agreements to be employed with respect to the processing of applications, the making or financing of loans under these rules and regulations, the issuance and sale of authority notes and bonds, and any other matters relating to such loans and the implementation and administration of the authority's programs shall be prepared, revised and amended from time to time under the direction and control of the executive director.

§ 1.5. Interest rates.

The executive director shall establish the interest rate or rates to be charged to the housing sponsor or person or family in connection with any loan made or financed under these rules and regulations. To the extent permitted by the documents relating to the loan, the executive director may adjust at any time and from time to time the interest rate or rates charged on such loan. Without limiting the foregoing, the interest rate or rates may be adjusted if such adjustment is determined to be necessary or appropriate by the executive director as a result of any allocation or reallocation of such loan to or among the authority's note or bond funds or any other funds of the authority. Any interest rate or rates established pursuant to this § 1.5 shall reflect the intent expressed in *subdivision 3 of subsection A of § 36-55.33:1 A-3* of the Code of Virginia.

§ 1.6. Federally assisted loans.

When a housing development or dwelling unit financed by a loan under these rules and regulations or otherwise assisted by the authority is subject to federal mortgage insurance or is otherwise assisted or aided, directly or indirectly, by the federal government or where the authority assists in the administration of any federal program, the applicable federal *law and* rules and regulations shall be controlling over any inconsistent provision hereof.

§ 1.7. Administration of state and federal programs; acceptance of aid and guarantees.

A. The board by resolution may authorize the authority to operate and administer any program to provide loans or other housing assistance for persons and families of low and moderate income and, in furtherance thereof, to enter into agreements or other transactions with the federal government, the Commonwealth of Virginia or any governmental agency thereof, any municipality or any other persons or entities and to take such other action as shall be necessary or appropriate for the purpose of operating and administering, on behalf of or in cooperation with any of the foregoing, any such program.

B. The board by resolution may authorize the acceptance by the authority of gifts, grants, loans,

contributions or other aid, including insurance and guarantees, from the federal government, the Commonwealth of Virginia or any agency thereof, or any other source in furtherance of the purposes of the Act, do any and all things necessary in order to avail itself of such aid, agree and comply with such conditions upon which such gifts, grants, loans, contributions, insurance, guarantees or other aid may be made, and authorize and direct the execution on behalf of the authority of any instrument or agreement which it considers necessary or appropriate to implement any such gifts, grants, loans, contributions, insurance guarantees or other aid.

C. Without limitation on the provisions of subsection B of this section, the board by resolution may authorize the acceptance by the authority of any insurance or guarantee or commitment to insure or guarantee its bonds or notes and any grant with respect to such bonds or notes, whether insured, guaranteed or otherwise, and may authorize and direct the execution on behalf of the authority of any instrument or agreement which it considers necessary or appropriate with respect thereto.

§ 1.8. Assistance of mortgage lenders.

The authority may, at its option, utilize the assistance and services of mortgage lenders in the processing, originating, disbursing and servicing of loans under these rules and regulations. The executive director is authorized to take such action and to execute such agreements and documents as he shall deem necessary or appropriate in order to procure, maintain and supervise such assistance and services. In the case of authority mortgage loans to be financed from the proceeds of obligations issued by the authority pursuant to § 36-55.37:1 of the Code of Virginia, the authority shall be required to utilize such assistance and services of mortgage lenders in the origination and servicing of such authority mortgage loans.

§ 1.9. Waiver.

The board by resolution may for good cause in any particular case waive or vary any of the provisions of these rules and regulations.

§ 1.10. Amendment.

These rules and regulations may be amended and supplemented by the board at such times and in such manner as it may determine, to the extent not inconsistent with the Act or with other applicable provisions of law.

§ 1.11. Separability.

If any clause, sentence, paragraph, section or part of these rules and regulations shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section or part thereof directly involved in the controversy in which such judgment shall have been

rendered.

PART II. MULTI-FAMILY RENTAL HOUSING PROGRAM.

§ 2.1. Mortgage loans.

A. This Part II shall govern mortgage loans made by the authority to housing sponsors to finance the development, construction and rehabilitation or the ownership and operation of multi-family residential housing. For purposes of this Part II, multi-family residential housing shall include housing developments intended to be owned and operated on a cooperative basis.

B. Authority mortgage loans as described in subsection A of this section may be made to limited for-profit housing sponsors in *original principal* amounts not to exceed 95% of the housing development costs as determined by the authority, and to nonprofit housing sponsors in amounts not to exceed 100% of the housing development costs as determined by the authority.

C. Authority mortgage loans as described in subsection A of this section may be made for terms of up to 50 years, including the period of any development and construction or rehabilitation of the housing development. The term of any such mortgage loan, the amortization period, the estimated housing development costs, the principal amount of the mortgage loan, the terms and conditions applicable to any equity contribution by the housing sponsor, any assurances of successful completion and operational stability of the housing development, and other terms and conditions of such mortgage loan shall be set forth in the board's resolution authorizing such mortgage loan or in the mortgage loan commitment issued on behalf of the authority pursuant to such resolution.

§ 2.2. Applications and processing.

A. The processing of applications for authority mortgage loans pursuant to this Part II will be governed by the procedures, instructions and guidelines promulgated by the authority pursuant to § 1.3 of these rules and regulations.

B. Upon satisfactory completion of the processing of such application by the authority staff in accordance with the aforesaid procedures, instructions and guidelines and approval of the application by the executive director, the authority staff's analysis of the application and the executive director's recommendation with respect thereto shall be presented to the board.

The board shall review each such analysis and recommendation and, if it determines that the application meets the requirements of the Act, these rules and regulations and the authority's procedures, instructions and guidelines promulgated pursuant to § 1.3 of these rules and regulations, the board may by resolution authorize an authority mortgage loan to the housing sponsor. Such resolution shall authorize the executive director to issue an

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authority mortgage loan commitment to the housing sponsor for the financing of the proposed housing development.

An authority mortgage loan shall not be authorized unless the board by resolution shall make the applicable findings required by § 36-55.39 of the Code of Virginia; provided, however, that the board may in its discretion authorize the authority mortgage loan without making the finding, if applicable, required by *subsection B of § 36-55.39 B* of the Code of Virginia, subject to the condition that such finding be made by the board prior to the financing of the authority mortgage loan.

Such resolution, or the authority mortgage loan commitment issued by the executive director pursuant to such resolution, shall include such terms and conditions as the authority considers appropriate with respect to the development, construction or rehabilitation of the proposed housing development, the marketing and occupancy of such housing development, the disbursement and repayment of the authority mortgage loan, and other matters related to the development, construction or rehabilitation and the ownership and operation of the proposed housing development. Such resolution or authority mortgage loan commitment may include a financial analysis of the proposed housing development, setting forth the initial schedule of rents, the approved initial budget for operation of the housing development and a schedule of the estimated housing development costs. Such a resolution authorizing an authority mortgage loan to a ~~limited for-~~ profit housing sponsor shall, *if applicable*, include a determination of the maximum annual rate at which distributions may be made by such ~~limited for-~~ profit housing sponsor with respect to such housing development pursuant to the provisions of subsection B of § 2.4 of these rules and regulations.

C. Subsequent to adoption of the resolution of the board authorizing an authority mortgage loan, the executive director may, without further action by the board, increase the principal amount of such authority mortgage loan by an amount not to exceed 2.0% of the principal amount of such authority mortgage loan, provided that such an increase is consistent with the Act, these rules and regulations and the procedures, instructions and guidelines promulgated pursuant to § 1.3 of these rules and regulations.

§ 2.3. Regulation of housing sponsors.

The authority shall have the power to supervise the housing sponsor in accordance with the provisions of § 36-55.34:1 of the Code of Virginia *and the terms of the agreements relating to the authority mortgage loan* at all times during which the authority mortgage loan is outstanding. The executive director may require the housing sponsor to execute a regulatory agreement with the authority, and such other related documents as the executive director shall determine to be necessary or appropriate, which shall authorize the authority to regulate

such aspects of the development, construction or rehabilitation, operations, use and disposition of the proposed housing development and of the activities of the housing sponsor as the executive director shall determine to be necessary or appropriate to protect the interests of the authority and to permit fulfillment of the authority's duties and responsibilities under the Act and these rules and regulations.

§ 2.4. Allowable categories of cost; limited dividend distributions.

A. The categories of cost which shall be allowable by the authority in development, construction or rehabilitation of a housing development financed under this Part II shall include the following: (i) development and construction or rehabilitation costs, including equipment, labor and materials furnished by the owner, contractor or subcontractors, general requirements for job supervision, an allowance for office overhead of the contractor, building permit, bonds and letters of credit to assure completion, water, sewer and other utility fees, and a contractor's profit or a profit and risk allowance in lieu thereof; (ii) architectural and engineering fees; (iii) interest on the mortgage loan; (iv) real estate taxes, hazard insurance premiums and mortgage insurance premiums; (v) title and recording expenses; (vi) surveys; (vii) test borings; (viii) the authority's financing fees; (ix) legal and accounting expenses; (x) in the case of a nonprofit housing sponsor, organization and sponsor expenses, consultant fees, and a reserve to make the project operational; (xi) off-site costs; (xii) the cost or fair market value of the land and any improvements thereon to be used in the housing development; (xiii) tenant relocation costs; (xiv) operating reserves to be funded from proceeds of the mortgage loan; (xv) and such other categories of costs which the authority shall determine to be reasonable and necessary for the development and construction or rehabilitation of the housing development. The extent to which costs in any of such categories shall be recognized or allowed in respect of a specific housing development shall be established by the terms of a cost certification guide which shall be prepared and, from time to time, revised by the executive director and which shall be incorporated by reference into the documents executed with respect to each such mortgage loan. Upon completion of the development, the housing sponsor shall certify to the authority the total of the housing development costs in accordance with these rules and regulations and the cost certification guide, subject to the review and determination of the authority. In lieu of such certification of housing development costs, the executive director may require the housing sponsor to provide such other assurances of housing development costs as he shall deem necessary to enable the authority to determine with reasonable accuracy the actual amount of such housing development costs.

B. In connection with an authority mortgage loan to a ~~limited for-~~ profit housing sponsor pursuant to this Part II:

1. The board's resolution authorizing such mortgage loan shall prescribe the maximum annual rate, *if any*, at which distributions may be made by such ~~limited for-~~ profit housing sponsor with respect to such housing development, expressed as a percentage of such ~~limited for-~~ profit housing sponsor's equity in such housing development (such equity being established in accordance with paragraph 3 of this subsection), which rate, *if any*, shall not be inconsistent with the provisions of the Act. In connection with the establishment of *any* such rates, the board shall not prescribe differing or discriminatory rates with respect to substantially similar housing developments. The board's resolution authorizing such mortgage loan shall specify whether the *any such* maximum annual rate of distributions shall be cumulative or noncumulative;

2. Any payments to a person or entity who is a principal, stockholder or holder of a beneficial interest in such ~~limited for-~~ profit housing sponsor shall not be deemed a "distribution" or "return" to such person or entity if the funds with which such payment is made are funds paid or contributed to such ~~limited for-~~ profit housing sponsor by persons or entities purchasing a beneficial interest in such ~~limited for-~~ profit housing sponsor; and

3. Subsequent to completion of such housing development and in conjunction with other determinations made on behalf of the authority as to allowable housing development costs and related matters, the executive director shall establish the ~~limited for-~~ profit housing sponsor's equity in such housing development; ~~which~~. Such equity shall be the difference between (i) the amount of either (A) the total housing development costs of such housing development as finally determined by the authority or (B) the fair market value of such housing development and (ii) the final principal amount of the authority mortgage loan as to such housing development. *The authority may thereafter from time to time adjust such equity to be the difference, as of the date of adjustment, between the fair market value of such housing development and the outstanding principal balance of the authority mortgage loan. The manner for so determining and adjusting such equity shall be established in the board's resolution authorizing the authority mortgage loan or in amendments to such resolution.*

§ 2.5. Tenant selection plan.

As a part of each application for an authority mortgage loan under this Part II, the housing sponsor shall prepare and submit to the authority for its review and approval a proposed tenant selection plan with respect to the proposed housing development. The proposed tenant selection plan shall include, among other information that the executive director may require from time to time, the following:

1. The proposed rent structure of the proposed housing development;
2. The utilization of any subsidy or other assistance from the federal government or any other source;
3. Income limitations of the authority for initial occupancy of the dwelling units in the proposed housing development as determined in accordance with these rules and regulations;
4. The proposed income levels of occupants;
5. Any arrangements contemplated by the housing sponsor for occupant referrals or relocations from federal, state or local government agencies or community organizations;
6. The marketing activities to be performed with respect to the leasing of the proposed housing development (including any affirmative marketing efforts and media advertising plans) and the identity and qualifications of the proposed marketing and management agents of the housing sponsor; and
7. Any criteria to be used for disapproving applicants and for establishing priorities among eligible applicants for occupancy of the proposed housing development.

PART III. SINGLE FAMILY DEVELOPMENT AND CONSTRUCTION LOANS.

§ 3.1. Development and construction loans.

A. This Part III shall govern mortgage loans made by the authority to housing sponsors for the development and construction or rehabilitation of single family residential housing for eventual sale to persons or families of low or moderate income.

B. Authority mortgage loans as described in subsection A of this section may be made to housing sponsors for terms not in excess of five years and in *original principal* amounts not to exceed 95% of the estimated total housing development costs as determined by the authority, except that in the case of nonprofit housing sponsors the *original principal* amount of the authority mortgage loans may not exceed 100% of the estimated total housing development costs as determined by the authority. In determining the estimated total housing development costs, the categories of costs which shall be includable therein shall be those set forth in § 2.4 of these rules and regulations, to the extent deemed by the executive director to be applicable to the housing development, and such other costs as the authority shall deem reasonable and necessary for the sale and conveyance of the single family dwelling units. The estimated total housing development costs and the principal amount of the authority mortgage loan with respect to such housing development, together with other terms and conditions of the authority mortgage loan and

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related matters, shall be set forth in the board's resolution authorizing such mortgage loan or in the mortgage loan commitment issued by the authority pursuant to such resolution.

§ 3.2. Applications and processing.

A. The processing of applications for authority mortgage loans pursuant to this Part III will be governed by the procedures, instructions and guidelines promulgated by the authority pursuant to § 1.3 of these rules and regulations.

B. Upon satisfactory completion of the processing of such application by the authority staff in accordance with the aforesaid procedures, instructions and guidelines and approval of the application by the executive director, the authority staff's analysis of the application and the executive director's recommendation with respect thereto shall be presented to the board.

The authority board shall review each such analysis and recommendation and, if it determines that the application meets the requirements of the Act, these rules and regulations and the authority's procedures, instructions and guidelines promulgated pursuant to § 1.3 of these rules and regulations, the board may by resolution authorize an authority mortgage loan to the housing sponsor. Such resolution shall authorize the executive director to issue an authority mortgage loan commitment to the housing sponsor for the financing of the proposed housing development.

An authority mortgage loan shall not be authorized unless the board by resolution shall make the findings required by subsection A § 36-55.39 A of the Code of Virginia.

Such resolution, or the authority mortgage loan commitment issued by the executive director pursuant to such resolution, shall include such terms and conditions as the authority considers appropriate with respect to the construction of the proposed housing development, the marketing and sale of the single family dwelling units in such housing development, the disbursement and repayment of the authority mortgage loan, assurances of successful completion of the proposed housing development, and all other matters related to the development, construction or rehabilitation and sale of the proposed housing development. Such resolution or authority mortgage loan commitment may include a financial analysis of the proposed housing development setting forth the sales price limits for the single family dwelling units within the proposed housing development and a schedule of the estimated housing development costs.

Subsequent to adoption of the resolution of the board authorizing an authority mortgage loan pursuant to this Part III, the executive director may, without further action by the board, increase the principal amount of such authority mortgage loan by an amount not to exceed 2.0% of such mortgage loan, provided that such an increase is

consistent with the Act, these rules and regulations and the procedures, instructions and guidelines promulgated pursuant to § 1.3 of these rules and regulations.

§ 3.3. Regulation of housing sponsors.

The authority shall have the power to supervise the housing sponsor in accordance with the provisions of § 36-55.34:1 of the Code of Virginia *and the terms of the agreements relating to the authority mortgage loan* at all times during which the authority mortgage loan is outstanding. The executive director may require the housing sponsor to execute a regulatory agreement with the authority, and such other related documents as the executive director shall determine to be necessary or appropriate, which shall authorize the authority to regulate such aspects of the development, construction or rehabilitation and sale of the proposed housing development as the executive director shall determine to be necessary or appropriate to protect the interests of the authority and to permit fulfillment of the authority's duties and responsibilities under the Act and these rules and regulations.

§ 3.4. Sale of single family housing units.

A. As a part of each application for an authority mortgage loan under this Part III, the housing sponsor shall prepare and submit to the authority a proposed marketing plan for review and approval by the authority. The proposed marketing plan shall include, among other information that the executive director may require from time to time, the following:

1. The proposed sales prices of the single family dwelling units;
2. The utilization of any mortgage insurance, subsidy or other assistance from the federal government or any other source;
3. The proposed income levels of purchasers therefor, which income levels shall not exceed the income limitations of the authority applicable to the single family dwelling units; and
4. The marketing activities to be performed with respect to the sale of the single family dwelling units (including any affirmative marketing efforts and media advertising plans) and the identity and qualifications of the proposed marketing agent of the housing sponsor.

B. In the event that a single family dwelling unit shall be sold to a purchaser who is not qualified to receive an authority mortgage loan under the applicable income limitations established pursuant to subsection A of § 1.2 of these rules and regulations, the authority shall have the right to require the housing sponsor to pay a penalty in such amount as shall be prescribed in the board's resolution authorizing the mortgage loan or in the

authority mortgage loan commitment issued pursuant to such resolution.

PART IV. SINGLE FAMILY LOANS TO INDIVIDUAL PURCHASERS.

§ 4.1. Mortgage loans.

A. This Part IV shall govern mortgage loans made by the authority to persons or families of low or moderate income for the acquisition (and, where applicable, rehabilitation), ownership and occupancy of single family housing dwelling units.

B. Authority mortgage loans pursuant to subsection A of this section may be made only to persons or families of low or moderate income qualified pursuant to subsection A of § 1.2 of the rules and regulations.

C. The board may from time to time establish by resolution sales price limits for single family dwelling units financed or to be financed by the authority. Such sales price limits may vary based upon the area of the state, the type of program, the size and circumstances of the person or family who is to occupy such dwelling unit, the type and characteristics of such dwelling unit, and any other factors determined by the board to be necessary or appropriate for the administration of the program under this Part IV.

D. An authority mortgage loan to be financed under this Part IV hereof may be made for a term not to exceed 50 years. The original principal amount and term of any such authority mortgage loan, the amortization period, the terms and conditions relating to the prepayment thereof, and such other terms, conditions and requirements as the executive director deems necessary or appropriate shall be set forth in the mortgage loan commitment issued on behalf of the authority with respect to such mortgage loan.

E. The original principal amount of authority mortgage loans made pursuant to this Part IV shall not exceed 98% of the first \$25,000 of the sales price of the single family dwelling unit and 95% of the amount of the sales price of the single family dwelling unit in excess of \$25,000 or, in the case of authority mortgage loans guaranteed or insured by the Veterans' Administration, 100% of the sales price of the single family dwelling unit, to the extent such sales price is approved by the executive director and subject to such further limitations as may be provided in the procedures, instructions and guidelines promulgated pursuant to § 1.3 of these rules and regulations. The term "sales price," with respect to authority mortgage loans for the combined acquisition and rehabilitation of a single family housing dwelling unit, shall include the cost of acquisition, plus the cost of rehabilitation and debt service for such period of rehabilitation, not to exceed three months, as the executive director shall determine that such housing dwelling unit will not be available for occupancy.

§ 4.2. Applications and processing.

A. The processing of applications for authority mortgage loans pursuant to this Part IV will be governed by the procedures, instructions and guidelines promulgated by the authority pursuant to § 1.3 of these rules and regulations.

B. If the applicant and the application meet the requirements of the Act, these rules and regulations and the procedures, instructions and guidelines promulgated pursuant to § 1.3 of these rules and regulations, the executive director may issue on behalf of the authority an authority mortgage loan commitment to the applicant for the financing of the single family housing dwelling unit, subject to the approval or ratification thereof by the board. Such authority mortgage loan commitment shall be issued only upon the determination of the authority that such a mortgage loan is not otherwise available from private lenders upon reasonably equivalent terms and conditions, and such determination shall be set forth in the authority mortgage loan commitment.

PART V. HOME REHABILITATION LOANS.

§ 5.1. General purpose.

This Part V shall govern the making of loans by the authority to persons or families of low or moderate income for the rehabilitation of single family dwelling units. For the purposes of this Part V, such loans shall be referred to as "home rehabilitation loans."

§ 5.2. Terms of home rehabilitation loans.

A. A home rehabilitation loan may be made pursuant to this Part V only to a borrower who is a person or family of low and moderate income qualified pursuant to subsection A of § 1.2 of these rules and regulations. The types of improvements which may be financed by a home rehabilitation loan shall be established from time to time by the board and shall be set forth in the procedures, instructions and guidelines promulgated by the authority pursuant to § 1.3 of these rules and regulations.

B. Home rehabilitation loans to be financed under this Part V may be made for a term not to exceed 30 years. The original principal amount of any such home rehabilitation loan shall not exceed 100% of the total cost of the rehabilitation.

C. Home rehabilitation loans shall be secured by mortgages, in such form or forms as may be approved by the executive director, on the real property with respect to which such home rehabilitation loans are made.

§ 5.3. Application and processing.

A. The processing of application for home rehabilitation loans under this Part V will be governed by the procedures, instructions and guidelines promulgated by the

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authority pursuant to § 1.3 of these rules and regulations.

B. If the executive director determines that the applicant and the application for a home rehabilitation loan meet the requirements of the Act, the rules and regulations set forth in this Part V, and the applicable procedures, instructions and guidelines promulgated by the authority pursuant to § 1.3 of these rules and regulations, he may issue on behalf of the authority a commitment to the applicant with respect to such home rehabilitation loan, subject to the approval or ratification thereof by the authority board. The original principal amount, term and interest rate or rates on the home rehabilitation loan and such other terms, conditions and requirements as the executive director deems necessary or appropriate shall be set forth in the commitment.

PART VI. ENERGY LOANS.

§ 6.1. General purpose; applicability.

A. This Part VI shall govern the making of loans to finance the purchase and installation of energy saving measures and alternative energy sources which will reduce the reliance on present sources of energy for use in the dwellings of residents of the Commonwealth of Virginia or in public or nonprofit buildings or facilities. Such measures and sources shall include, but not be limited to, insulation, caulking, weatherstripping, storm windows and doors, furnace modification or replacement, and solar energy devices. For purposes of this Part VI, such loans shall be referred to as "energy loans."

B. Any energy loans made with respect to dwellings shall be limited to dwellings occupied by persons and families of low and moderate income qualified pursuant to ~~section~~ subsection A of § 1.2 of these rules and regulations or pursuant to standards under applicable federal rules and regulations as approved by the board with any modifications thereto. Energy loans shall be made only for the purposes set forth in subsection A of this section.

§ 6.2. Terms of energy loans.

A. Energy loans to be financed under this Part VI may be made for a term not to exceed 30 years. The original principal amount of any such energy loans shall not exceed 100% of the total cost of the energy saving measures and alternative energy sources as described in § 6.1 of these rules and regulations.

B. The authority may, at its option, require that energy loans (i) be insured by a private mortgage insurance company; (ii) be insured or otherwise assisted by an appropriate agency of the federal or state government; and (iii) be secured by a mortgage.

§ 6.3. Processing of loan application and issuance of loan commitments.

The processing of applications for energy loans pursuant to this Part VI will be governed by the procedures, instructions and guidelines promulgated by the authority pursuant to § 1.3 of these rules and regulations. If the executive director determines that the applicant and the application for an energy loan meet the requirements of (i) the Act; (ii) the rules and regulations set forth in this Part VI; and (iii) the applicable procedures, instructions and guidelines promulgated pursuant to § 1.3 of these rules and regulations, he may issue on behalf of the authority a loan commitment to the applicant with respect to such energy loan, subject to the approval or ratification thereof by the authority board. The original principal amount, term and interest rate or rates on any energy loan and such other terms, conditions and requirements as the executive director deems necessary or appropriate shall be set forth in the loan commitment issued by the authority with respect to such energy loan.

PART VII. PURCHASE OF MORTGAGE LOANS.

§ 7.1. Applicability.

This Part VII shall govern the purchase of mortgage loans from a mortgage lender to finance residential housing for persons and families of low and moderate income qualified pursuant to § 1.2 of these rules and regulations.

§ 7.2. Purchase of mortgage loans to finance single family dwelling units.

A. The authority may from time to time purchase from mortgage lenders mortgage loans which at the time of such purchase are financing single family dwelling units. Any mortgage loan to be so purchased shall have been made to a mortgagor who as of the date of the mortgage loan was a person or family of low or moderate income qualified pursuant to subsection A of § 1.2 of these rules and regulations. The sales price for the single family dwelling unit to be financed by any such mortgage loan shall comply with any applicable limits established pursuant to subsection C of § 4.1 of these rules and regulations or otherwise established by resolution of the board. The term of the mortgage loan to be so purchased shall not exceed 50 years, and the date on which the mortgage loan was made shall not precede the date of the issuance of the authority's commitment to purchase such mortgage loan by such numbers of years as the executive director may from time to time prescribe. The original principal amount of the mortgage loan shall not exceed the limits set forth in subsection E of § 4.1 of the rules and regulations ; provided, however, that in the case of a mortgage loan guaranteed or insured by the Veterans' Administration, the original principal amount of the Authority mortgage loan shall not exceed one hundred (100%) percent of the sales price of the Single family dwelling unit, to the extent such sales price is approved by the executive director .

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B. The processing of applications for the purchase of mortgage loans pursuant to this § 7.2 will be governed by the procedures, instructions and guidelines promulgated by the authority pursuant to § 1.3 of these rules and regulations. If the applicant and the application meet the requirements of the Act, these rules and regulations and the procedures, instructions and guidelines promulgated pursuant to § 1.3 of these rules and regulations, the executive director may issue on behalf of the authority a commitment to the mortgage lender to purchase such mortgage loan, subject to the approval or ratification thereof by the authority board. Such commitment shall include such terms and conditions as the executive director shall consider necessary or appropriate with respect to such purchase of the mortgage loan.

§ 7.3. Purchase of mortgage loans to finance multi-family dwelling units.

A. The authority may from time to time purchase from mortgage lenders mortgage loans which at the time of such purchase are financing multi-family dwelling units. The term of the mortgage loan to be so purchased shall not exceed 50 years, including the period (if any) of development and construction or rehabilitation. The date on which the mortgage loan was made shall not precede the date of the issuance of the authority's commitment to purchase such mortgage loan by such number of years as the executive director may from time to time prescribe. Any mortgage loan to be so purchased shall comply with, and shall be subject to, the provisions of §§ 2.3 and 2.5 of these rules and regulations and such other provisions of Part II of these rules and regulations as the resolution authorizing the purchase of such mortgage loan, or the commitment issued pursuant thereto, shall require.

B. The processing of application for the purchase of mortgage loans pursuant to this § 7.3 will be governed by the procedures, instructions and guidelines promulgated by the authority pursuant to § 1.3 of these rules and regulations.

Upon satisfactory completion of the processing of such application by the authority staff in accordance with the aforesaid procedures, instructions and guidelines and approval of the application by the executive director, the authority staff's analysis of the application and the executive director's recommendation with respect thereto shall be presented to the board.

The board shall review each such analysis and recommendation and, if it determines that the application meets the requirements of the Act, these rules and regulations and the authority's procedures, instructions and guidelines promulgated pursuant to § 1.3 of these rules and regulations, the board may by resolution authorize the purchase of the mortgage loan and the issuance of a commitment with respect thereto.

Such resolution, or the authority commitment issued by the executive director pursuant to such resolution, shall

include such terms and conditions as the authority considers appropriate with respect to any construction or rehabilitation of the housing development, the marketing and occupancy of such housing development, the disbursement and repayment of the mortgage loan, and other matters related to the financing of the housing development. Such resolution or authority commitment may include a financial analysis of the housing development, which shall set forth the initial schedule of rents, the initial budget approved by the authority for operation of the housing development and, if applicable, a schedule of the estimated housing development costs. Subsequent to adoption of such resolution, the executive director may increase the principal amount of the mortgage loan in accordance with the provisions of subsection C of § 2.2 of these rules and regulations.

§ 7.4. Requests for proposals; reinvestment of proceeds; certification as to prudent investment.

A. The executive director may from time to time request mortgage lenders to submit offers to sell mortgage loans to the authority in such manner, within such time period and subject to such terms and conditions as he shall specify in such request. The executive director may take such action as he shall deem necessary or appropriate to solicit offers to sell mortgage loans, including mailing of the request to mortgage lenders, advertising in newspapers or other publications, and any other methods of public announcement which he may select as appropriate under the circumstances. The executive director may also consider and accept offers for sale of individual mortgage loans submitted from time to time to the authority without any solicitation therefor by the authority.

B. The authority shall require as a condition of the purchase of any mortgage loans from a mortgage lender pursuant to this Part VII that such mortgage lender within 180 days from the receipt of proceeds of such purchase shall enter into written commitments to make, and shall thereafter proceed as promptly as practical to make and disburse from such proceeds, residential mortgage loans in the Commonwealth of Virginia having a stated maturity of not less than 20 years from the date thereof in an aggregate principal amount equal to the amount of such proceeds.

C. At or before the purchase of any mortgage loan pursuant to this Part VII, the mortgage lender shall certify to the authority that the mortgage loan would in all respects be a prudent investment and that the proceeds of the purchase of the mortgage loan shall be reinvested as provided in subsection B of this section or invested in short-term obligations pending such investment.

D. The purchase price for any mortgage loan to be purchased by the authority pursuant to this Part VII shall be established in accordance with *subdivision 2 of § 36-55.35 (2)* of the Code of Virginia.

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Title of Regulation: VR 400-02-0001. Procedures, Instructions and Guidelines for Multi-Family Housing Developments.

Statutory Authority: § 36-55.30:3 of the Code of Virginia.

Public Hearing Date: N/A
(See Calendar of Events section for additional information)

Summary:

The proposed amendments to the Procedures, Instructions and Guidelines for Multi-Family Housing Developments implement certain legislative amendments to the Virginia Housing Development Authority Act by specifying that the "original principal amount" of mortgage loans to housing sponsors of multi-family rental housing developments may not exceed the statutory maximum amount, by making discretionary such housing sponsors' maximum annual limited dividend distribution, by permitting such housing sponsors' equity to be determined based on fair market value, by providing that the authority's regulatory powers (including, without limitation, the powers to control rents and require certification of costs to supervise such housing sponsors under § 36-55.34:1 of the Code of Virginia shall be subject to the terms of agreements relating to the authority mortgage loan and by authorizing the inclusion of nursing care and medical facilities in multi-family rental developments. The proposed amendments clarify the manner for determining adjusted family income for multi-family housing developments financed or otherwise assisted by the federal government. Under the proposed amendments the percentage of limited partnership interests which, if transferred within a 12 month period, would require prior approval by the authority would be reduced from 90% to 50%. The proposed amendments will modify the present policy regarding prepayment by providing that prepayments shall be prohibited for such period of time set forth in the note as the executive director shall determine to accomplish the authority's public purpose.

VR 400-02-0001. Procedures, Instructions and Guidelines for Multi-Family Housing Developments.

§ 1. Purpose and applicability.

The following procedures, instructions and guidelines will be applicable to mortgage loans which are made or financed or are proposed to be made or financed by the Virginia Housing Development Authority (the "authority") to mortgagors to provide the construction or permanent financing of multi-family housing developments intended for occupancy by persons and families of low and moderate income ("development" or "developments"). These procedures, instructions and guidelines shall be

applicable to the making of such mortgage loans directly by the authority to mortgagors, the purchase of such mortgage loans, the participation by the authority in such mortgage loans with mortgage lenders and any other manner of financing of such mortgage loans under the Virginia Housing Development Authority Act (the "Act"). These procedures, instructions and guidelines shall not, however, apply to any developments which are subject to any other procedures, instructions and guidelines adopted by the authority. If any mortgage loan is to provide either the construction or permanent financing (but not both) of a development, these procedures, instructions and guidelines shall be applicable to the extent determined by the executive director to be appropriate for such financing. If any development is subject to federal mortgage insurance or is otherwise assisted or aided, directly or indirectly, by the federal government, the applicable federal rules and regulations shall be controlling over any inconsistent provision. Furthermore, if the mortgage loan on any development is to be insured by the federal government, the provisions of these procedures, instructions and guidelines shall be applicable to such development only to the extent determined by the executive director to be necessary in order to (a) (i) protect any interest of the authority which, in the judgment of the executive director, is not adequately protected by such insurance or by the implementation or enforcement of the applicable federal rules, regulations or requirements or (b) (ii) to comply with the Act or fulfill the authority's public purpose and obligations thereunder. Developments shall include housing intended to be owned and operated on a cooperative basis. The term "construction", as used herein, shall include the rehabilitation, preservation or improvement of existing structures.

These procedures, instructions and guidelines shall supersede the processing procedures, instructions and guidelines adopted by the authority on ~~September 17, 1973~~ January 17, 1984.

Notwithstanding anything to the contrary herein, the executive director is authorized with respect to any development to waive or modify any provision herein where deemed appropriated by him for good cause, to the extent not inconsistent with the Act, the authority's rules and regulations, and covenants and agreements with the holders of its bonds.

"Executive director" as used herein refers to the executive director of the authority or any other officer or employee of the authority who is authorized to act on behalf of the authority pursuant to a resolution of the Board of Commissioners of the authority (the "board").

All reviews, analyses, evaluations, inspections, determinations and other actions by the authority pursuant to the provisions of these procedures, instructions and guidelines shall be made for the sole and exclusive benefit and protection of the authority and shall not be construed to waive or modify any of the rights, benefits, privileges,

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duties, liabilities or responsibilities of the authority, the mortgagor, the contractor or other members of the development team under the initial closing documents as described in § 7 of these procedures, instructions and guidelines.

These procedures, instructions and guidelines are intended to provide a general description of the authority's processing requirements and not intended to include all actions involved or required in the processing and administration of mortgage loans under the authority's multi-family housing programs. These procedures, instructions and guidelines are subject to change at any time by the authority and may be supplemented by policies, procedures, instructions and guidelines adopted by the authority from time to time with respect to any particular development or developments or any multi-family housing program or programs.

§ 2. *Income limits and general description restrictions.*

Under the authority's rules and regulations, to be eligible for occupancy of a multi-family dwelling unit, a person or family shall not have an adjusted family income (as defined therein) greater than seven times the total annual rent, including utilities except telephone, applicable to such dwelling unit. The authority's rules and regulations authorize its board to establish from time to time by resolution lower income limits for initial occupancy.

In the case of developments for which the authority has agreed to permit the mortgagor to establish and change rents without the prior approval of the authority (as described in § 11 of these procedures, instructions and guidelines), at least 20% of the units in each such development shall be occupied or held available for occupancy by persons and families whose incomes (at the time of their initial occupancy) do not exceed 80% of the area median income as determined by the authority, and the remaining units shall be occupied or held available for occupancy by persons and families whose incomes (at the time of their initial occupancy) do not exceed 150% of such area median income as so determined.

Furthermore, in the case of developments which are subject to federal mortgage insurance or assistance or are financed by notes or bonds exempt from federal income taxation, federal regulations may establish lower income limitations which in effect supersede the authority's income limits as described above.

If federal law or rules and regulations impose limitations on the incomes of the persons or families who may occupy all or any of the units in a development, the adjusted family incomes (as defined in the authority's rules and regulations) of applicants for occupancy of all of the units in the development shall be computed, for the purpose of determining eligibility for occupancy thereof under the authority's rules and regulations and these procedures, instructions and guidelines, in the manner specified in such federal law and rules and regulations,

subject to such modifications as the executive director shall require or approve in order to facilitate processing, review and approval of such applications.

Notwithstanding anything to the contrary herein, all developments and the processing thereof under the terms hereof must comply with (i) the Act and the authority's rules and regulations; (ii) the applicable federal laws and regulations governing the federal tax exemption of the notes or bonds issued by the authority to finance such developments; (iii) in the case of developments subject to federal mortgage insurance or other assistance, all applicable federal laws and regulations relating thereto; and (iv) the requirements set forth in the resolutions pursuant to which the notes or bonds are issued by the authority to finance the developments. Copies of the authority's note and bond resolutions are available upon request.

§ 3. Terms of mortgage loans.

The authority may make or finance mortgage loans secured by a lien on real property or, subject to certain limitations in the Act, a leasehold estate in order to finance development intended for occupancy by persons and families of low and moderate income. The term of the mortgage loan shall be equal to (i) if the mortgage loan is to finance the construction of the proposed development, the period determined by the executive director to be necessary to: (1) complete construction of the development, (2) achieve sufficient occupancy to support the development and (3) consummate the final closing of the mortgage loan; plus (ii) if the mortgage loan is to finance the ownership and operation of the proposed development, an amortization period set forth in the mortgage loan commitment but not to exceed 45 years. The executive director may require that such amortization period not extend beyond the termination date of any federal insurance, assistance or subsidy.

Mortgage loans may be made to: (i) limited for-profit housing sponsors in *original principal* amounts not to exceed the lesser of the maximum principal amount specified in the mortgage loan commitment or such percentage of the housing development costs of the development as is established in such commitment, but in no event to exceed 95%; and (ii) nonprofit housing sponsors in *original principal* amounts not to exceed the lesser of the minimum principal amount specified in the mortgage loan commitment or such percentage of the housing development costs of the development as is established in such commitment, but in no event to exceed 100%.

The maximum principal amount and percentage of housing development costs specified or established in the mortgage loan commitment shall be determined by the authority in such manner and based upon such factors as it deems relevant to the security of the mortgage loan and fulfillment of its public purpose. Such factors may include the fair market value of the proposed development as

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completed, the economic feasibility and marketability of the proposed development at the rents necessary to pay the debt service on the mortgage loan and the operating expenses of the proposed development, and the income levels of the persons and families who would be able to afford to pay such rents.

In accordance with the authority's rules and regulations, the executive director is authorized to prepare and from time to time revise a cost certification guide for mortgagors, contractors and certified public accountants (the "cost certification guide") which shall, *unless otherwise agreed to by the authority*, govern the extent to which costs may be eligible for inclusion in the housing development costs as determined by the authority at final closing. Copies of such guide are available upon request.

The interest rate on the mortgage loan shall be established at the initial closing and may be thereafter adjusted in accordance with the authority's rules and regulations and terms of the deed of trust note. The authority shall charge a financing fee equal to 2.5% of the mortgage loan amount, unless the executive director shall for good cause require the payment of a different financing fee. Such fee shall be payable at such times as hereinafter provided or at such other times as the executive director shall for good cause require.

§ 4. Solicitation of proposals.

The executive director may from time to time take such action as he may deem necessary or proper in order to solicit proposals for the financing of developments. Such actions may include advertising in newspapers and other media, mailing of information to prospective applicants and other members of the public, and any other methods of public announcement which the executive director may select as appropriate under the circumstances. The executive director may impose requirements, limitations and conditions with respect to the submission of proposals and the selection of developments as he shall consider necessary or appropriate. The executive director may cause market studies and other research and analyses to be performed in order to determine the manner and conditions under which available funds of the authority are to be allocated and such other matters as he shall deem appropriate relating to the selection of proposals. The authority may also consider and approve proposals for financing of developments submitted from time to time to the authority without any solicitation therefor on the part of the authority.

§ 5. Application and acceptance for processing.

Application for a mortgage loan shall be commenced by filing with the authority an application, on such form or forms as the executive director may from time to time prescribe, together with such documents and additional information as may be requested by the authority, including, but not limited to: initial site, elevation and unit plans; information with respect to the status of the

proposed development site and the surrounding community; any option or sales contract to acquire the site; an evaluation of the need and effective demand for the proposed development in the market area of such site; information regarding the legal, business and financial status and experience of the members of the applicant's proposed development team and of the principals in any entity which is a member thereof, including current financial statements (which shall be audited in the case of a business entity) for the mortgagor (if existing), the general contractor and the principals therein; information regarding amenities and services proposed to be offered to the tenants; a preliminary estimate of the housing development costs and the individual components thereof; the proposed schedule of rents; a preliminary estimate of the annual operating budget and the individual components thereof; the estimated utility expenses to be paid by the tenants of dwelling units in the proposed development; and the amount of any federal insurance, subsidy or assistance which the applicant is requesting for the proposed development.

The authority's staff shall review each application and any additional information submitted by the applicant or obtained from other sources by the authority in its review of each proposed development. Such review shall be performed in accordance with *subdivision 2 of subsection D of § 36-55.33:1 D-2* of the Code of Virginia and shall include, but not be limited to, the following:

1. An analysis of the site characteristics, surrounding land uses, available utilities, transportation, employment opportunities, recreational opportunities, shopping facilities and other factors affecting the site;
2. An evaluation of the ability, experience and financial capacity of the applicant and general contractor and the qualifications of the architect, management agent and other members of the proposed development team;
3. A preliminary evaluation of the estimated construction costs and the proposed design and structure of the proposed development;
4. A preliminary review of the estimated operating expenses and proposed rents and a preliminary evaluation of the adequacy of the proposed rents to sustain the proposed development based upon the assumed occupancy rate and estimated construction and financing costs; and
5. A preliminary evaluation of the marketability of the proposed development.

Based on the authority's review of the applications, documents and any additional information submitted by the applicants or obtained from other sources by the authority in its review of the proposed developments, the executive director shall accept for processing those applications which he determines best satisfy the following

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criteria:

1. The vicinity of the proposed development is and will continue to be a residential area suitable for the proposed development and is not now, nor is it likely in the future to become, subject to uses or deterioration which could cause undue depreciation in the value of the proposed development or which could adversely affect its operation, marketability or economic feasibility.
 2. There are or will be available on or before the estimated completion date ~~(1)~~ (i) direct access to adequate public roads and utilities and ~~(2)~~ (ii) such public and private facilities (such as schools, churches, transportation, retail and service establishments, parks, recreational facilities and major public and private employers) in the area of the proposed development as the executive director determines to be necessary or desirable for use and enjoyment by the contemplated residents.
 3. The characteristics of the site (such as its size, topography, terrain, soil and subsoil conditions, vegetation, and drainage conditions) are suitable for the construction and operation of the proposed development, and the site is free from any defects which would have a materially adverse effect on such construction and operation.
 4. The location of the proposed development will promote and enhance the marketability of the units to the person and families intended for occupancy thereof.
 5. The applicant either owns or leases the site of the proposed development or has the legal right to acquire or lease the site in such manner, at such time and subject to such terms as will permit the applicant to process the application and consummate the initial closing.
 6. The design of the proposed development is attractive and esthetically appealing, will contribute to the marketability of the proposed development, makes use of materials to reduce energy and maintenance costs, provides for a proper mix of units for the residents intended to be benefitted by the authority's program, provides for units with adequate, well-designed space, includes equipment and facilities customarily used or enjoyed in the area by the contemplated residents, and will otherwise provide a safe, habitable and pleasant living environment for such residents.
 7. Subject to further review and evaluation by the authority's staff under § 6 of these procedures, instructions, and guidelines, the estimated construction costs and operating expenses appear to be complete, reasonable and comparable to those of similar developments.
 8. Subject to further review and evaluation by the authority's staff under § 6 of these procedures, instructions, and guidelines, the proposed rents appear to be at levels which will: (i) be affordable by the persons and families intended to be assisted by the authority; (ii) permit the successful marketing of the units to such persons and families; and (iii) sustain the operation of the proposed development.
 9. The applicant and general contractor have the experience, ability and financial capacity necessary to carry out their respective responsibilities for the acquisition, construction, ownership, operation, marketing, maintenance and management of the proposed development.
 10. The architect, management agent and other members of the proposed development team have the qualifications necessary to perform their respective functions and responsibilities.
 11. The application and proposed development conform to the requirements, limitations and conditions, if any, imposed by the executive director pursuant to § 4 of these procedures, instructions and guidelines.
 12. The proposed development will contribute to the implementation of the policies and programs of the authority in providing decent, safe and sanitary rental housing for low and moderate income persons and families who cannot otherwise afford such housing and will assist in meeting the need for such housing in the market area of the proposed development.
 13. It appears that the proposed development and applicant will be able to meet the requirements for feasibility and commitment set forth in § 6 of these procedures, instructions and guidelines and that the proposed development will otherwise continue to be processed through initial closing and will be completed and operated, all in compliance with the Act and the authority's rules and regulations, the documents and contracts executed at initial closing, applicable federal laws, rules and regulations, and the provisions of these procedures, instructions and guidelines and without unreasonable delay, interruptions or expense.
- If only one application is being reviewed for acceptance for processing, the executive director shall accept such application for processing if he determines that such application adequately satisfies the foregoing criteria.
- In the selection of an application or applications for processing, the executive director may take into account the desirability of allocating funds to different sponsors throughout the Commonwealth of Virginia.
- Applications shall be selected only to the extent that the authority has or expects to have funds available from the sale of its notes or bonds to finance mortgage loans for

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the proposed developments.

Nothing contained herein shall require the authority to select any application which, in the judgment of the executive director, does not adequately satisfy the foregoing criteria.

The executive director's determinations with respect to the above criteria shall be based only on the documents and information received or obtained by him at that time and are subject to modification or reversal upon his receipt of additional documents or information at a later time. In addition, the application shall be subject to further review in accordance with § 6 of these procedures, instructions and guidelines.

The executive director may impose such terms and conditions with respect to acceptance for processing as he shall deem necessary or appropriate. If any proposed development is so accepted for processing, the executive director shall notify the sponsor of such acceptance and of any terms and conditions imposed with respect thereto and may require the payment by the sponsor of a nonrefundable processing fee of 0.25% of the estimated mortgage loan amount. Such fee shall be applied at initial closing toward the payment of the authority's financing fee.

If the executive director determines that a proposed development to be accepted for processing does not adequately satisfy one or more of the foregoing criteria, he may nevertheless accept such proposed development for processing subject to satisfaction of the applicable criteria in such manner and within such time period as he shall specify in his notification of acceptance. If the executive director determines not to accept any proposed development for processing, he shall so notify the sponsor.

§ 6. Feasibility and commitment.

In order to continue the processing of the application, the applicant shall file, within such time limit as the executive director shall specify, such forms, documents and information as the executive director shall require with respect to the feasibility of the proposed development, including without limitation the following:

1. Any additions, modifications or other changes to the application and documents previously submitted as may be necessary or appropriate to make the information therein complete, accurate and current;
2. Architectural and engineering plans, drawings and specifications in such detail as shall be necessary or appropriate to determine the requirements for construction of the proposed development;
3. The applicant's (i) best estimates of the housing development costs and the components thereof; (ii) proposed mortgage loan amount; (iii) proposed rents; (iv) proposed annual operating budget and the

individual components thereof; (v) best estimates of the monthly utility expenses and other costs for each dwelling unit if paid by the resident; and (vi) amount of any federal insurance, subsidy or assistance that the applicant is requesting for the proposed development. The applicant's estimates shall be in such detail and with such itemization and supporting information as shall be requested by the executive director;

4. The applicant's management, marketing and tenant selection plans, including description and analysis of marketing and tenant selection strategies, techniques and procedures to be followed in marketing the units and selecting tenants; and

5. Any documents required by the authority to evidence compliance with all conditions and requirements necessary to acquire, own, construct, operate and manage the proposed development, including local governmental approvals, proper zoning status, availability of utilities, licenses and other legal authorizations necessary to perform requisite functions and any easements necessary for the construction and operation of the development.

The executive director may for good cause permit the applicant to file one or more of the foregoing forms, documents and information at a later time, and any review, analysis, determination or other action by the authority or the executive director prior to such filing shall be subject to the receipt, review and approval by the executive director of such forms, documents and information.

An appraisal of the land and any improvements to be retained and used as a part of the development will be obtained at this time or as soon as practical thereafter from an independent real estate appraiser selected by the authority. The authority may also obtain such other reports, analyses, information and data as the executive director deems necessary or appropriate to evaluate the proposed development.

If at any time the executive director determines that the applicant is not processing the application with due diligence and best efforts or that the application cannot be successfully processed to commitment and initial closing within a reasonable time, he may, in his discretion, terminate the application and retain any fees previously paid to the authority.

The authority staff shall review and evaluate the documents and information received or obtained pursuant to this § 6. Such review and evaluation shall include, but not be limited to, the following:

1. An analysis of the estimates of construction costs and the proposed operating budget and an evaluation as to the economic feasibility of the proposed development;

2. A market analysis as to the present and projected demand for the proposed development in the market area, including: (i) an evaluation of existing and future market conditions; (ii) an analysis of trends and projections of housing production, employment and population for the market area; (iii) a site evaluation (such as access and topography of the site, neighborhood environment of the site, public and private facilities serving the site and present and proposed uses of nearby land); and (iv) an analysis of competitive projects;

3. A review of the management, marketing and tenant selection plans, including their effect on the economic feasibility of the proposed development and their efficacy in carrying out the programs and policies of the authority;

4. A final review of the (i) ability, experience and financial capacity of the applicant and general contractor; and (ii) the qualification of the architect, management agent and other members of the proposed development team.

5. An analysis of the architectural and engineering plans, drawings and specifications, including the functional use and living environment for the proposed residents, the marketability of the units; the amenities and facilities to be provided to the proposed residents; and the management, maintenance and energy conservation characteristics of the proposed development.

Based upon the authority staff's analysis of such documents and information and any other information obtained by the authority in its review of the proposed development, the executive director shall prepare a recommendation to the board that a mortgage loan commitment be issued to the applicant with respect to the proposed development only if he determines that all of the following criteria have been satisfied:

1. Based on the data and information received or obtained pursuant to this § 6, no material adverse change has occurred with respect to compliance with the criteria set forth in § 5 of these procedures, instructions and guidelines.

2. The applicant's estimates of housing development costs: (i) include all costs necessary for the development and construction of the proposed development; (ii) are reasonable in amount; (iii) are based upon valid data and information; and (iv) are comparable to costs for similar multi-family rental developments; provided, however, that if the applicant's estimates of such costs are insufficient in amount under the foregoing criteria, such criteria may nevertheless be satisfied if, in the judgment of the executive director, the mortgagor will have the financial ability to pay any costs estimated by the executive director to be in excess of the total of the

applicant's estimates of housing development costs.

3. Subject to review by the authority at final closing, the categories of the estimated housing development costs to be funded from the proceeds of the mortgage loan are eligible for such funding under the authority's cost certification guide or under such other requirements as shall be agreed to by the authority.

4. Any administrative, community, health, *nursing care, medical*, educational, recreational, commercial or other nonhousing facilities to be included in the proposed development are incidental or related to the proposed development and are necessary, convenient or desirable with respect to the ownership, operation or management of the proposed development.

5. All operating expenses (including replacement and other reserves) necessary or appropriate for the operation of the proposed development are included in the proposed operating budget, and the estimated amounts of such operating expenses are reasonable, are based on valid data information and are comparable to operating expenses experienced by similar developments.

6. Based upon the proposed rents and projected occupancy level required or approved by the executive director, the estimated income from the proposed development is reasonable. The estimated income may include: (i) rental income from commercial space within the proposed development if the executive director determines that a strong, long-term market exists for such space; and (ii) income from other sources relating to the operation of the proposed development if determined by the executive director to be reasonable in amount and comparable to such income received on similar developments.

7. The estimated income from the proposed development, including any federal subsidy or assistance, is sufficient to pay when due the estimates of the debt service on the mortgage loan, the operating expenses, and replacement and other reserves required by the authority.

8. The units will be occupied by persons and families intended to be served by the proposed development and qualified under the Act and the authority's rules and regulations, and any applicable federal laws, rules and regulations. Such occupancy of the units will be achieved in such time and manner that the proposed development will (i) attain self-sufficiency (i.e., the rental and other income from the development is sufficient to pay all operating expenses, debt service and replacement and other required reserves and escrows) within the usual and customary time for a development for its size, nature, location and type, and without any delay in the commencement of amortization; and (ii) will continue to be self-sufficient for the full term of the mortgage loan.

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9. The estimated utility expenses and other costs to be paid by the residents are reasonable, are based upon valid data and information and are comparable to such expenses experienced by similar developments, and the estimated amounts of such utility expenses and costs will not have a materially adverse effect on the occupancy of the units in accordance with item 8 above.

10. The architectural drawings, plans and specifications shall demonstrate that: (i) the proposed development as a whole and the individual units therein shall provide safe, habitable, and pleasant living accommodations and environment for the contemplated residents; (ii) the dwelling units of the proposed housing development and the individual rooms therein shall be furnishable with the usual and customary furniture, appliances and other furnishings consistent with their intended use and occupancy; and (iii) the proposed housing development shall make use of measures promoting environmental protection, energy conservation and maintenance and operating efficiency to the extent economically feasible and consistent with the other requirements of this § 6.

11. The proposed development includes such appliances, equipment, facilities and amenities as are customarily used or enjoyed by the contemplated residents in similar developments.

12. The management plan includes such management procedures and requirements as are necessary for the proper and successful operations, maintenance and management of the proposed development in accordance with these procedures, instructions and guidelines.

13. The marketing and tenant selection plans submitted by the applicant shall comply with the authority's rules and regulations and shall provide for actions to be taken such that: (i) the dwelling units in the proposed development will be occupied in accordance with item 8 above and any applicable federal laws, rules and regulations by those eligible persons and families who are expected to be served by the proposed development; (ii) the residents will be selected without regard to race, color, religion, creed, sex or national origin; and (iii) units intended for occupancy by handicapped and disabled persons will be adequately and properly marketed to such persons and such persons will be given priority in the selection of residents for such units. The tenant selection plan shall describe the requirements and procedures (including any occupancy criteria and priorities established pursuant to § 11 of these procedures, instructions and guidelines) to be applied by the mortgagor in order to select those residents who are intended to be served by the proposed development and who are best able to fulfill their obligation and responsibilities as residents of the proposed development.

14. In the case of any development to be insured or otherwise assisted or aided by the federal government, the proposed development will comply in all respects with any applicable federal laws, rules and regulations, and adequate federal insurance, subsidy, or assistance is available for the development and will be expected to remain available in the due course of processing with the applicable federal agency, authority or instrumentality.

15. The proposed development will comply with: (i) all applicable federal laws and regulations governing the federal tax exemption of the notes or bonds issued or to be issued by the authority to finance the proposed development; and (ii) all requirements set forth in the resolutions pursuant to which such notes or bonds are issued or to be issued.

16. The prerequisites necessary for the members of the applicant's development team to acquire, own, construct or rehabilitate, operate and manage the proposed development have been satisfied or can be satisfied prior to initial closing. These prerequisites include, but are not limited to obtaining: (i) site plan approval; (ii) proper zoning status; (iii) assurances of the availability of the requisite public utilities; (iv) commitments by public officials to construct such public improvements and accept the dedication of streets and easements that are necessary or desirable for the construction and use of the proposed development; (v) licenses and other legal authorizations necessary to permit each member to perform his or its duties and responsibilities in the Commonwealth of Virginia; (vi) building permits; and (vii) fee simple ownership of the site, a sales contract or option giving the applicant or mortgagor the right to purchase the site for the proposed development and obtain fee simple title, or a leasehold interest of the time period required by the Act (any such ownership or leasehold interest acquired or to be acquired shall be free of any covenants, restrictions, easements, conditions, or other encumbrances which would adversely affect the authority's security or the construction or operation of the proposed development).

17. The proposed development will comply with all applicable state and local laws, ordinances, regulations, and requirements.

18. The proposed development will provide valid and sound security for the authority's mortgage loan and will contribute to the fulfillment of the public purposes of the authority as set forth in its Act.

19. Subject to a final determination by the board, the financing of the proposed development will meet the applicable requirements set forth in § 36-55.39 of the Code of Virginia.

If the executive director determines that the foregoing

criteria are satisfied and that he will recommend approval of the application and issuance of the commitment, he shall present his analysis and recommendations to the board. If the executive director determines that one or more of the foregoing criteria have not been adequately satisfied, he may nevertheless in his discretion recommend to the board that the application be approved and that a mortgage loan commitment be issued subject to the satisfaction of such criteria in such manner and within such time period as he shall deem appropriate. Prior to the presentation of his recommendations to the board, the executive director may require the payment by the applicant of a nonrefundable processing fee in an amount equal to 0.5% of the then estimated mortgage loan amount less any processing fees previously paid by the applicant. Such fee shall be applied at initial closing toward the payment of the authority's financing fee.

The board shall review and consider the analysis and recommendation of the executive director, and if it concurs with such recommendation, it shall by resolution approve the application and authorize the issuance of a commitment, subject to such terms and conditions as the board shall require in such resolution. Such resolution and the commitment issued pursuant thereto shall in all respects conform to the requirements of the authority's rules and regulations.

If the executive director determines not to recommend approval of the application and issuance of a commitment, he shall so notify the applicant. If any application is not so recommended for approval, the executive director may select for processing one or more applications in its place.

§ 7. Initial closing.

Upon issuance of the commitment, the applicant shall direct its attorney to prepare and submit the legal documentation (the "initial closing documents") required by the commitment within the time period specified. When the initial closing documents have been submitted and approved by the authority staff and all other requirements in the commitment have been satisfied, the initial closing of the mortgage loan shall be held. At this closing, the initial closing documents shall be, where required, executed and recorded, and the mortgagor will pay to the authority the balance owed on the financing fee, will make any initial equity investment required by the initial closing documents and will fund such other deposits, escrows and reserves as required by the commitment. The initial disbursement of mortgage loan proceeds will be made by the authority, if appropriate under the commitment and the initial closing documents.

The actual interest rate on the mortgage loan shall be established by the executive director at the time of the execution of the deed of trust note at initial closing and may thereafter be altered by the executive director in accordance with the authority's rules and regulations and the terms of such note.

The executive director may require such accounts, reserves, deposits, escrows, bonds, letters of credit and other assurances as he shall deem appropriate to assure the satisfactory construction, completion, occupancy and operation of the development, including without limitation one or more of the following: working capital deposits, construction contingency funds, operating reserve accounts, payment and performance bonds or letters of credit, latent construction defect escrows, replacement reserves, and tax and insurance escrows. The foregoing shall be in such amounts and subject to such terms and conditions as the executive director shall require and as shall be set forth in the initial closing documents.

§ 8. Construction.

The construction of the development shall be performed in accordance with the initial closing documents. The authority shall have the right to inspect the development as often as deemed necessary or appropriate by the authority to determine the progress of the work and compliance with the initial closing documents and to ascertain the propriety and validity of mortgage loan disbursements requested by the mortgagor. Such inspections shall be made for the sole and exclusive benefit and protection of the authority. A disbursement of mortgage loan proceeds may only be made upon a determination by the authority that the terms and conditions of the initial closing documents with respect to any such disbursement have been satisfied; provided, however, that in the event that such terms and conditions have not been satisfied, the executive director may, in his discretion, permit such disbursement if additional security or assurance satisfactory to him is given. The amount of any disbursement shall be determined in accordance with the terms of the initial closing documents and shall be subject to such retainage or holdback as is therein prescribed.

§ 9. Completion of construction and final closing.

The initial closing documents shall specify those requirements and conditions that must be satisfied in order for the development to be deemed to have attained final completion. Upon such final completion of the development, the mortgagor, general contractor, and any other parties required to do so by the initial closing documents shall each diligently commence, complete and submit to the authority for review and approval their cost certification in accordance with the authority's cost certification guide *or in accordance with such other requirements as shall have been agreed to by the authority*.

Prior to or concurrently with final closing, the mortgagor, general contractor and other members of the development team shall perform all acts and submit all contracts and documents required by the initial closing documents in order to attain final completion, make the final disbursement of mortgage loan proceeds, obtain any federal insurance, subsidy or assistance and otherwise

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consummate the final closing.

At the final closing, the authority shall determine the following in accordance with the initial closing documents:

1. The total development costs, *the fair market value of the development (if such value is to be used to determine the mortgagor's equity investment)*, the final mortgage loan amount, the balance of mortgage loan proceeds to be disbursed to the mortgagor, the equity investment of the mortgagor and , *if applicable*, the maximum amount of annual limited dividend distributions;
2. The interest rate to be applied initially upon commencement of amortization, the date for commencement and termination of the monthly amortization payments of principal and interest, the amount of such monthly amortization payments, and the amounts to be paid monthly into the escrow accounts for taxes, insurance, replacement reserves, or other similar escrow items; and
3. Any other funds due the authority, the mortgagor, general contractor, architect or other parties that the authority requires to be disbursed or paid as part of the final closing.

Within such period of time as is specified in the Authority's cost certification guide, *Unless otherwise agreed to by the authority*, the mortgagor and contractor shall , *within such period of time as is specified in the authority's cost certification guide*, submit supplemental cost certifications, and the authority shall have the right to make such adjustments to the foregoing determinations as it shall deem appropriate as a result of its review of such supplemental cost certification.

If the mortgage loan commitment and initial closing documents so provide and subject to such terms and conditions as shall be set forth therein, the equity shall be adjusted subsequent to final closing to an amount equal to the difference, as of the date of adjustment, between the fair market value of the development and the outstanding principal balance of the mortgage loan.

§ 10. Mortgage loan increases.

Prior to initial closing, the principal amount of the mortgage loan may be increased, if such an increase is justified by an increase in the estimated costs of the proposed development, is necessary or desirable to effect the successful construction and operation of the proposed development, can be funded from available proceeds of the authority's notes or bonds, and is not inconsistent with the provisions of the Act or the authority's rules and regulations or any of the provisions of these procedures, instructions and guidelines. Any such increase shall be subject to such terms and conditions as the authority shall require.

Subsequent to initial closing, the authority will consider and, where appropriate, approve a mortgage loan increase to be financed from the proceeds of the authority's notes or bonds in the following instances:

1. Where cost increases are incurred as the direct result of (i) changes in work required or requested by the authority or (ii) betterments to the development approved by the authority which will improve the quality or value of the development or will reduce the costs of operating or maintaining the development;
2. Where cost increases are incurred as a direct result of a failure by the authority during processing of the development to properly perform an act for which the authority is solely responsible;
3. Where a mortgage loan increase is determined by the authority, in its sole and absolute discretion, to be in the best interests of the authority in protecting its security for the mortgage loan; or
4. Where the authority has entered into an agreement with the mortgagor prior to initial closing to provide a mortgage loan increase if certain cost overruns occur in agreed line items, but only to the extent set forth in such agreement.

In the event that a person or entity acceptable to the authority is prepared to provide financing on a participation basis on such terms and conditions as the authority may require, the authority will consider and, where appropriate, approve an increase in its mortgage loan subsequent to initial closing to the extent of the financing by such person or entity in any of the following instances:

1. One or more of the instances set forth in 1 through 4 above; or
2. Where costs are incurred which are:
 - a. In excess of the original total contract sum set forth in the authority's mortgage loan commitment;
 - b. The direct result of necessary and substantial changes approved by the authority in the original plans and specifications;
 - c. Evidenced by change orders in accordance with the original contract documents or by other documentation acceptable to the authority; and
 - d. Approved by the authority for inclusion within the total development cost in accordance with the Act, the authority's rules and regulations and the authority's cost certification guide.

Any such mortgage loan increase to be financed on a participation basis shall be granted only to the extent that such costs cannot be funded from mortgage loan proceeds,

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any income from the operation of the development approved by the authority for application thereto, and other moneys of the mortgagor available therefor. As used herein, the term "other moneys of the mortgagor" shall include moneys received or to be received as a result of the sale or syndication of limited partnership interest in the mortgagor. In the event that any limited dividend mortgagor shall have sold or syndicated less than 90% of the partnership interests, such term shall include the amount, as determined by the authority, which would have been received upon the sale or syndication of 90% of such interest under usual and customary circumstances.

Any such increase in the mortgage loan subsequent to initial closing may be subject to such terms and conditions as the authority shall require, including (but not limited to) one or more of the following:

1. The ability of the authority to sell bonds to finance the mortgage loan increase in amounts, at rates and under terms and conditions satisfactory to the authority (applicable only to a mortgage loan to be financed from the proceeds of the authority's notes or bonds).
2. The obtaining by the owner of additional federal subsidy (if the development is to receive such subsidy) in amounts necessary to fund the additional debt service to be paid as a result of such mortgage loan increase. The provision of such additional subsidy shall be made subject to and in accordance with all applicable federal regulations.
3. A determination by the authority that the mortgage loan increase will have no material adverse effect on the financial feasibility or proper operation and maintenance of the development.
4. A determination by the authority that the mortgage loan, as increased, does not exceed such percentage of the total development cost (as certified in accordance with the authority's cost certification guide and as approved by the authority) as is established in the resolution authorizing the mortgage loan in accordance with § 3 of these procedures, instructions and guidelines.
5. Such terms and conditions as the authority shall require in order to protect the security of its interest in the mortgage loan, to comply with covenants and agreements with the holders of its bonds issued to finance the mortgage loan, to comply with the Act and the authority's rules and regulations, and to carry out its public purpose.

The executive director may, without further action by the board, increase the principal amount of the mortgage loan at any time by an amount not to exceed 2.0% of the maximum principal amount of the mortgage loan set forth in the commitment, provided that such increase is consistent with the Act and the authority's rules and

regulations and the provisions of these procedures, instructions and guidelines. Any increase in excess of such 2.0% shall require the approval of the board.

Nothing contained in this § 10 shall impose any duty or obligation on the authority to increase any mortgage loan, as the decision as to whether to grant a mortgage loan increase shall be within the sole and absolute discretion of the authority.

§ 11. Operation, management and marketing.

The development shall be subject to a regulatory agreement entered into at initial closing between the authority and the mortgagor. Such regulatory agreement shall govern the rents, operating budget, occupancy, marketing, management, maintenance, operation, use and disposition of the development and the activities and operation of the mortgagor, as well as the amount of assets or income of the development which may be distributed to the mortgagor.

Only rents established or approved on behalf of the authority pursuant to the regulatory agreement may be charged for dwelling units in the development. *Notwithstanding the foregoing, in the case of any developments financed subsequent to January 1, 1986, the authority may agree with the mortgagor that the rents may be established and changed by the mortgagor without the prior approval of the authority, subject to such restrictions in the regulatory agreement as the authority shall deem necessary to assure that the rents shall be affordable to persons and families intended to be served by the development and subject to compliance by the mortgagor with the provisions in § 2 of these procedures, instructions and guidelines.*

Any costs for supportive services not generally included in the rent for similar developments shall not be funded from the rental income of the development.

If the mortgagor is a partnership, the general partner or partners shall be required to retain at least a 10% interest in the net proceeds from any sale, refinancing or other disposition of the development during the life of the mortgage loan.

The mortgagor shall lease the units in the development only to persons and families who are eligible for occupancy thereof as described in § 2 of these procedures, instructions and guidelines. The mortgagor shall comply with the provisions of the authority's rules and regulations regarding: (i) the examination and determination of the income and eligibility of applicants for initial occupancy of the development; and (ii) the periodic reexamination and redetermination of the income and eligibility of residents of the development.

In addition to the eligibility requirements of the authority, the executive director may establish occupancy criteria and priorities based on the following:

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- a. 1. The age, family size, financial status, health conditions (including, without limitation, any handicaps or disabilities) and other circumstances of the applicants for the dwelling units;
- b. 2. The status and physical condition of the housing then occupied by such applicants; and
- c. 3. Any other factors or matters which the executive director deems relevant to the effectuation of the public purposes of the authority.

In selecting eligible residents, the mortgagor shall comply with such occupancy criteria and priorities and with the tenant selection plan approved by the authority pursuant to § 6 of these procedures, instructions and guidelines.

The executive director is authorized to prepare and from time to time revise a housing management handbook which shall set forth the authority's procedures and requirements with respect to the management of developments. Copies of the housing management handbook shall be available upon request.

The management of the development shall also be subject to a management agreement entered into at initial closing between the mortgagor and its management agent, or where the mortgagor and the management agent are the same entity, between the authority and the mortgagor. Such management agreement shall govern the policies, practices and procedures relating to the management, marketing and operation of the development. The mortgagor and its management agent (if any) shall manage the development in accordance with the Act, the authority's rules and regulations, the regulatory agreement, the management agreement, the authority's housing management handbook, and the management plan approved by the authority.

The authority shall have the power to supervise the mortgagor and the development in accordance with § 36-55.34:1 of the Code of Virginia and the terms of the initial closing documents or other agreements relating to the mortgage loans. The authority shall have the right to inspect the development, conduct audits of all books and records of the development and to require such reports as the authority deems reasonable to assure compliance with this § 11.

§ 12. Transfers of ownership.

A. It is the authority's policy to evaluate requests for transfers of ownership on a case-by-case basis. The primary goal of the authority is the continued existence of low and moderate income rental housing stock maintained in a financially sound manner and in safe and sanitary condition. Any changes which would, in the opinion of the authority, detrimentally affect this goal will not be approved.

The provisions set forth in this § 12 shall apply only to transfers of ownership to be made subject to the authority's deed of trust and regulatory agreement. Such provisions shall not be applicable to transfers of ownership of developments subject to HUD mortgage insurance, it being the policy of the authority to consent to any such transfer approved by HUD and permitted by the Act and applicable note or bond resolutions.

For the purposes hereof, the terms "transfer of ownership" and "transfer" shall include any *direct* or *indirect* transfer of a partnership or other ownership interest (including, without limitation, the withdrawal or substitution of any general partner) or any sale, conveyance or other *direct* or *indirect* transfer of the development or any interest therein; provided, however, that if the owner is not then in default under the deed of trust or regulatory agreement, such terms shall not include: (i) any sale, transfer, assignment or substitution of limited partnership interests prior to final closing of the mortgage loan or; (ii) any sale, transfer, assignment or substitution of limited partnership interests which in any 12 month period constitute in the aggregate ~~00%~~ 50% or less of the partnership interests in the owner. The term "proposed ownership entity", as used herein, shall mean: (i) in the case of a transfer of a partnership interest, the owner of the development as proposed to be restructured by such transfer; and (ii) in the case of a transfer of the development, the entity which proposed to acquire the development.

B. The proposed ownership entity requesting approval of a transfer of ownership must initially submit a written request to the authority. This request should contain (i) a detailed description of the terms of the transfer; (ii) all documentation to be executed in connection with the transfer; (iii) information regarding the legal, business and financial status and experience of the proposed ownership entity and of the principals therein, including current financial statements (which shall be audited in the case of a business entity); (iv) an analysis of the current physical and financial condition of the development, including a current audited financial report for the development; (v) information regarding the experience and ability of any proposed management agent; and (vi) any other information and documents requested by the authority relating to the transfer. The request will be reviewed and evaluated in accordance with the following criteria:

- 1. The proposed ownership entity and the principals therein must have the experience, ability and financial capacity necessary to own, operate and manage the development in a manner satisfactory to the authority.
- 2. The development's physical and financial condition must be acceptable to the authority as of the date of transfer or such later date as the authority may approve. In order to assure compliance with this criteria, the authority may require any of the following:

a. The performance of any necessary repairs and the correction of any deferred or anticipated maintenance work;

b. The addition of any improvements to the development which, in the judgment of the authority, will be necessary or desirable for the successful marketing of the development, will reduce the costs of operating or maintaining the development, will benefit the residents or otherwise improve the liveability of the development, or will improve the financial strength and stability of the development;

c. The establishment of escrows to assure the completion of any required repairs, maintenance work, or improvements;

d. The establishment of such new reserves and/or such additional funding of existing reserves as may be deemed necessary by the authority to ensure or preserve the financial strength and stability or the proper operation and maintenance of the development; and

e. The funding of debt service payments, accounts payable and reserve requirements such that the foregoing are current at the time of any transfer of ownership.

3. The management agent, if any, to be selected by the proposed ownership entity to manage the development on its behalf must have the experience and ability necessary to manage the development in a manner satisfactory to the authority. The management agent must satisfy the qualifications established by the authority for approval thereof.

If the development is subsidized or otherwise assisted by HUD, the approval by HUD may be required. Any and all documentation required by HUD must be submitted by the proposed ownership entity in conjunction with its request.

C. The authority will charge the proposed ownership entity a fee of \$5,000 or such higher fee as the executive director may for good cause require. This fee is to be paid at the closing.

D. The amount and terms of any secondary financing (i.e., any portion of the purchase price is to be paid after closing of the transfer of ownership) shall be subject to the review and approval of the authority. Secondary financing which would require a lien on the development is prohibited by the authority's bond resolution and, therefore, will not be permitted or approved. The authority will not provide a mortgage loan increase or other financing in connection with the transfer of ownership. The authority will also not approve a rent increase in order to provide funds for the repayment of any secondary financing. Cash flow (other than limited dividend distributions) shall not be used to repay the

secondary financing. Any proposed secondary financing must not, in the determination of the authority, have any material adverse effect on the operation and management of the development, the security of the mortgage loan, the interests of the authority as lender, or the fulfillment of the authority's public purpose under the Act. The authority may impose such conditions and restrictions (including, without limitation, requirements as to sources of payment for the secondary financing and limitations on the remedies which may be exercised upon a nonpayment of the secondary financing) with respect to the secondary financing as it may deem necessary or appropriate to prevent the occurrence of any such adverse effect.

E. In the case of a transfer from a nonprofit owner to a proposed limited for-profit owner, the authority may require the proposed limited for-profit owner to deposit and/or expend funds in such amount and manner and for such purposes and to take such other actions as the authority may require in order to assure that the principal amount of the mortgage loan does not exceed the limitations specified in the Act and the authority's rules and regulations or otherwise imposed by the authority. No transfer of ownership from a nonprofit owner to a limited for-profit owner shall be approved if such transfer would, in the judgment of the authority, affect the tax-exemption of the notes or bonds issued by the authority to finance the development. The authority will not approve any such transfer of ownership if any loss of property tax abatement as a result of such transfer will, in the determination of the authority, adversely affect the financial strength or security of the development.

At the closing of the transfer of the ownership, the total development cost and the equity of a proposed limited for-profit owner shall be determined by the authority. The resolution of the board approving the transfer of ownership shall include a determination of the maximum annual rate, if any, at which distributions may be made by the proposed limited for-profit owner pursuant to the authority's rules and regulations. The proposed limited for-profit owner shall execute and deliver such agreements and documents as the authority may require in order to incorporate the then existing policies, requirements and procedures relating to developments owned by limited for-profit owners. The role of the nonprofit owner in the ownership, operation and management of the development subsequent to the transfer of ownership shall be subject to the review and approval of the authority. The authority may require that any cash proceeds received by the nonprofit owner (after the payment of transaction costs and the funding of any fees, costs, expenses, reserves or escrows required or approved by the authority) be used for such charitable or other purposes as the authority may approve.

F. A request for transfer of ownership shall be reviewed by the executive director. If the executive director determines to recommend approval thereof, he shall present his analysis and recommendation to the board. The board shall review and consider the analysis and

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recommendation of the executive director, and if it concurs with such recommendation, it shall by resolution approve the request and authorize the executive director to consent thereto, subject to such terms and conditions as the board shall require in such resolution.

Notwithstanding the foregoing, if any proposed transfer of a partnership interest is determined by the executive director to be insubstantial in effect and to have no material detrimental effect on the operation and management of the development or the authority's interest therein as lender, such transfer may be approved by him without approval of the board.

After approval of the request, an approval letter will be issued to the mortgagor consenting to the transfer. Such letter shall be contingent upon the delivery and execution of any and all closing documents required by the authority with respect to the transfer of ownership and the fulfillment of any special conditions required by the resolution of the board. The partnership agreement of the proposed ownership entity shall be subject to review by the authority and shall contain such terms and conditions as the authority may require.

The authority may require that the proposed ownership entity execute the then current forms of the authority's mortgage loan documents in substitution of the existing mortgage loan documents ~~and~~ or to execute such amendments to the existing mortgage loan documents as the authority may require in order to cause the provisions of such documents to incorporate the then existing policies, procedures and requirements of the authority. At the closing of the transfer, all documents required by the approval letter shall be, where required, executed and recorded; all funds required by the approval letter will be paid or deposited in accordance therewith; and all other terms and conditions of the approval letter shall be satisfied. If deemed appropriate by the executive director, the original mortgagor shall be released from all liability and obligations which may thereafter arise under the documents previously executed with respect to the development.

In the case of a development which is in default or which is experiencing or is expected by the authority to experience financial, physical or other problems adversely affecting its financial strength and stability or its proper operation, maintenance or management, the authority may waive or modify any of the requirements herein as it may deem necessary or appropriate in order to assist the development ~~and~~ or to protect the authority's interest as lender.

§ 13. Prepayments.

It shall be the policy of the authority that no prepayment of a mortgage loan shall be made without its prior written consent *for such period of time set forth in the note evidencing the mortgage loan as the executive director shall determine, based upon his evaluation of then*

existing conditions in the financial and housing markets, to be necessary to accomplish the public purpose of the authority. The authority may prohibit the prepayment of mortgage loans during such period of time as deemed necessary by the authority to assure compliance with *applicable note and bond resolutions and with federal laws and regulations governing the federal tax exemption of the notes or bonds issued to finance such mortgage loans.* Requests for prepayment shall be reviewed by the executive director on a case-by-case basis. In reviewing any request for prepayment, the executive director shall consider such factors as he deems relevant, including without limitation the following: *(i) the proposed use of the development subsequent to prepayment; (ii) any actual or potential termination or reduction of any federal subsidy or other assistance; (iii) the current and future need and demand for low and moderate housing in the market area of the development; (iv) the financial and physical condition of the development; (v) the financial effect of prepayment on the authority and the notes or bonds issued to finance the development; and (vi) compliance with any applicable federal laws and regulations governing the federal tax exemption of such notes or bonds.* As a precondition to its approval of any prepayment, the authority shall have the right to impose restrictions, conditions and requirements with respect to the ownership, use, operation and disposition of the development, including without limitation any restrictions or conditions required in order to preserve the federal tax exemption of notes or bonds issued to finance the development. The authority shall also have the right to charge a prepayment fee in an amount determined in accordance with the terms of the resolutions authorizing the notes or bonds issued to finance the development or in such other amount as may be established by the executive director in accordance with the terms of the deed of trust note and such resolutions. The provisions of this § 13 shall not be construed to impose any duty or obligation on the authority to approve any prepayment, as the executive director shall have sole and absolute discretion to approve or disapprove any prepayment based upon his judgment as to whether such prepayment would be in the best interests of the authority and would promote the goals and purposes of its programs and policies.

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For information concerning Final Regulations, see information page.

Symbol Key

Roman type indicates existing text of regulations. *Italic type* indicates new text. Language which has been stricken indicates text to be deleted. [Bracketed language] indicates a substantial change from the proposed text of the regulations.

DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

Title of Regulation: VR 115-02-13. Rules and Regulations Governing the Transportation of Companion Animals.

Statutory Authority: § 29-213.37 of the Code of Virginia.

Effective Date: May 13, 1987

Summary:

The purpose of these regulations is to specify those requirements to be met when transporting live companion animals that will preclude the inhumane treatment of these animals and foster handling and care practices that will enhance their well-being during periods of transit within the Commonwealth.

The need for these regulations has been carefully researched and demonstrated over the past six years. Their development was based on not only this research, but the considerable amount of public comment received during meetings with interested parties and during the public comment periods. All controversial points were carefully considered by the board in an attempt to reach decisions that were fair, practical, and humane. The resulting regulations will serve not only to ensure humane transport of companion animals, but to enhance public perception of the animal industry and animal control, and to protect pet owners, consumers, and the public.

VR 115-02-13. Rules and Regulations Governing the Transportation of Companion Animals.

PART I. GENERAL PROVISIONS.

§ 1.1. Definitions.

The following words and terms, when used in these regulations, shall have the following meaning, unless the context clearly indicates otherwise:

"Animal holding area" means any part of the terminal facility where animals are kept, maintained, or housed.

"Carrier" means the operator of any airline, railroad, motor carrier, shipping line, or other enterprise which, for hire, engages in the business of transporting animals.

"Commerce" means trade, traffic or transportation.

"Companion animals" means domestic and feral dogs, domestic and feral cats, monkeys, guinea pigs, hamsters, rabbits, exotic animals and exotic and native birds. Game species shall not be considered companion animals for the purposes of these regulations.

"Dealer" means any person who in the regular course of business for compensation or profit buys, sells, transfers, exchanges or barter companion animals. Any person who transfers companion animals in the regular course of business as a common carrier shall not be considered a dealer.

"Exhibitor" means any person exhibiting any animals to the public, and such term includes carnivals, circuses, animal acts, and zoos exhibiting such animals, whether operated for profit or not; but such term excludes retail pet stores, organizations sponsoring and all persons participating in state and county fairs, livestock shows, rodeos, purebred dog and cat shows, and any other fairs or exhibits intended to advance agricultural arts and sciences.

["Exotic animal" means any animal that is not a species native to the United States.]

"Handling" means petting, feeding, manipulating, crating, shifting, transferring, immobilizing, restraining, treating, training, working or performing any similar activity with respect to any animal.

"Humane society" means any chartered not-for-profit organization incorporated under the laws of this Commonwealth and organized for the purpose of preventing cruelty to animals and promoting humane care and treatment of animals.

"Intermediate handler" means any person, including a department, agency, or instrumentality of the United States or of any state or local government who is engaged in any business in which he receives custody of animals in connection with their transportation in commerce.

"Pound" means a facility operated by the Commonwealth, or any political subdivision for the purpose of impounding or harboring seized, stray, homeless, abandoned or unwanted animals; or a facility operated for the same purpose under a contract with any county, city, town or incorporated society for the prevention of cruelty to animals.

"Primary conveyance" means the main method of transportation used to convey an animal from origin to

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destination, such as a motor vehicle, plane, ship or train.

"Primary enclosure" means any structure used to immediately restrict an animal or animals to a limited amount of space, such as a room, pen, cage, compartment or hutch.

"Terminal facility" means any building or structure, and its grounds, which serves as a point of ingress to or egress from a primary conveyance during transportation.

§ 1.2. Application of regulations.

Transportation of companion animals by carriers, dealers, exhibitors, pet shops, auction sales, pounds, cities, counties, animal control officers, and humane societies shall be governed by provisions set forth in Parts II, III and IV of these regulations. Nothing in these regulations shall be deemed to apply to or govern the transport of pet animals by private citizens through noncommercial means.

PART II. STANDARDS FOR THE TRANSPORTATION OF COMPANION ANIMALS, EXCLUDING BIRDS, BY CARRIERS, DEALERS, EXHIBITORS, PET SHOPS AND AUCTION SALES.

Article 1. General Standards.

§ 2.1. Primary enclosures used to transport companion animals.

Companion animals subject to these regulations shall be transported in a primary enclosure that shall be constructed in such a manner that:

1. The structural strength of the enclosure is sufficient to contain the animals and to withstand the normal rigors of transporting;
2. The interior of the enclosure is free from any protrusions that could be injurious to the animal contained therein;
3. The openings of such enclosures are easily accessible at all times for emergency removal of the animal;
4. Apertures are sufficient to provide for proper ventilation and normal breathing;
5. Projecting rims or other devices are on those faces of the outside walls that contain ventilation openings to prevent obstruction of those openings and to provide a minimum air circulation space of 3/4 inches between the primary enclosure and any adjacent cargo or conveyance wall, except that when a primary enclosure is permanently affixed within the animal cargo space of the primary conveyance and the front opening is the only source of ventilation this opening

shall:

- a. Be constructed so as to open directly to the outside or to an unobstructed aisle or passageway within the primary conveyance;
 - b. Be at least 90% of the total surface area of the front wall of the primary enclosure; and
 - c. Be covered with bars, wire mesh, or smooth expanded metal;
6. Portable primary enclosures shall be equipped with adequate handholds on the exterior of the primary enclosure, placed in such a manner that the portable primary enclosure can be lifted and handled without tilting and so that the person handling the portable primary enclosure will not be in contact with the animal;
 7. Be large enough to ensure that each animal contained therein has sufficient space to turn about freely in a standing position using normal body movements, to stand and sit erect, and to lie in a natural position; however, certain species may be restricted in their movements according to professionally acceptable standards when such freedom of movement would constitute a danger to the animals, their handlers, or other persons;
 8. Have solid bottoms to prevent leakage in shipment;
 9. Contain clean litter of a suitable absorbent material that is safe and nontoxic to the animals, and in sufficient quantity to absorb or cover excreta;
 10. Be clearly marked on top and on one or more sides with the words "Live Animal" or "Wild Animal," whichever is appropriate, in letters not less than 2.5 centimeters (1 inch) in height, and with arrows or other markings to indicate the correct upright position of the containers, except that this shall not apply to primary conveyances which are used as primary enclosures, or to primary enclosures which are permanently affixed within the primary conveyance;
 11. Be cleaned and sanitized after each use; and
 12. Contain only companion animals:
 - a. Of the same species, with the exception that some closely related species may travel together, according to professionally accepted standards;
 - b. In compatible groups;
 - c. In groups that separate the young from adults other than their dams, except for hamsters, guinea pigs and rabbits; and
 - d. Separated to prevent females in estrus from

contact with adult males, except for hamsters, guinea pigs, and rabbits.

§ 2.2. Primary conveyances.

Primary conveyances used in transporting companion animals shall meet the following provisions:

1. The cargo space of primary conveyances used in transporting companion animals shall be constructed to protect their health and ensure their safety and comfort;
2. The cargo space shall be constructed and maintained in a manner to prevent the ingress of engine exhaust fumes and gases from the primary conveyance during transport;
3. The cargo space shall have a supply of air sufficient for normal breathing for each animal contained therein, and the primary enclosure shall be positioned in such a manner that each animal has access to sufficient air for normal breathing;
4. Temperatures in primary conveyances shall not exceed 75°F [for more than 45 minutes] without supplemental ventilation through natural or automatic ventilation or air conditioning nor fall below 45°F without auxiliary heat, unless the animals are accompanied by a certificate of acclimation to lower temperatures signed by an accredited veterinarian [not more than 10 days prior to shipment] , or unless the well-being of the confined animal mandates temperature maintenance above this range;
5. Primary enclosures containing companion animals shall be positioned in the primary conveyance in such a manner that in an emergency the animals can be removed;
6. The interior of the animal cargo space shall be kept clean;
7. Companion animals shall not be transported with any material, substance, or device in such a way that can injure their health or well-being; and
8. Vehicles used by dealers, auction sales, exhibitors, and pet shops to carry companion animals shall be enclosed, including but not limited to, vans, station wagons, and pick-up trucks equipped with camper shells, so that:
 - a. All sides and top are covered;
 - b. Adequate ventilation is assured by the use of screens or ventilation systems;
 - c. The vehicle is insulated to provide protection from weather extremes or has an automatic heating/cooling system.

§ 2.3. Terminal facilities.

An animal holding area of a terminal facility of any carrier or intermediate handler shall:

1. Not commingle shipments of companion animals with inanimate cargo;
2. Be cleaned and sanitized often enough to prevent an accumulation of debris or excreta to minimize vermin infestation and to prevent a disease hazard;
3. Have in use an effective program for the control of insects, ectoparasites, and avian pests;
4. Be provided with fresh air by means of windows, doors, vents, or air conditioning and shall be ventilated or have air circulated by means of fans, blowers, or an air conditioning system so as to minimize drafts, odors, and moisture condensation;
5. Maintain temperature between 45°F and 85°F at all times, provided that no dog, cat, monkey, or [~~wildlife~~ exotic animal] be subjected to air temperatures in excess of 75°F for more than four hours at any time, unless the animals are accompanied by a certificate of acclimation to lower temperatures signed by an accredited veterinarian or unless the well-being of the confined animal mandates temperature maintenance above this range; and
6. Use auxiliary ventilation such as exhaust fans, vents, fans, blowers or air conditioning when the air temperature is above 75°F.

§ 2.4. Food and water requirements.

Adequate food and water [~~must~~ shall] be provided for in that:

1. Any individual, dealer, exhibitor, pet shop or operator of an auction sale offering any live rabbits, guinea pigs or hamsters to any carrier or intermediate handler for transportation, in commerce, or any dealer, exhibitor, pet shop or operator of an auction sale transporting such animals in their own primary conveyance, if such transport shall be longer than [~~two six~~] hours, shall provide an adequate supply of food and water or [~~an alternate source of moisture~~ a type of food which provides the requirement of food and water] within the primary enclosure to meet the requirements of such animals;
2. Any individual, dealer, exhibitor, pet shop or operator of an auction sale offering any companion animal other than those named in paragraph 1 above to any carrier or intermediate handler for transportation shall affix to the outside of the primary enclosure instructions which:
 - a. State the food and water requirements of such

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animals;

b. Are written with a permanent marker; and

c. Are affixed in such a manner as to avoid accidental tearing or removal;

3. No carrier or intermediate handler may accept any companion animal for transportation unless the above provision appropriate for the species of animals being transported has been met.

§ 2.5. Care in transit.

During transit it shall be the responsibility of the driver, carrier, or other employee to:

1. Visually observe the companion animals as frequently as circumstances may dictate but not less than once every four hours during surface and air transit, except that where the animal cargo space is not accessible during flight, the animals shall be observed during loading and unloading and whenever the cargo space is otherwise accessible;

2. Assure that the animals are receiving sufficient air for normal breathing;

3. Assure that the ambient temperature around the animal is between prescribed limits;

4. Assure that additional ventilation is provided if temperatures are above 75°F unless the well-being of the animal mandates temperature maintenance above this range;

5. Determine whether any of the companion animals are in obvious physical distress;

6. Provide any needed veterinary care as soon as possible; and

7. Assure that companion animals not be removed from their primary enclosures unless placed in other primary enclosures or facilities conforming to these recommended standards, except that exotic animals shall not be removed from their primary enclosure except in case of extreme emergency and only if such removal will not result in danger to human life.

§ 2.6. Handling.

Carriers and intermediate handlers, in moving companion animals to or from the primary conveyance and animal holding area of the terminal facility, shall:

1. Move the animals as expeditiously as possible;

2. Provide sufficient shade to protect animals from the direct rays of the sun and ensure that such animals shall not be subject to surrounding air temperatures

which exceed 85°F for a period of more than 45 minutes, unless the well-being of the confined animal mandates temperature maintenance above this range;

3. Provide covered transporting devices to protect the animals when the outdoor air temperature falls below 50°F, and ensure that such animals shall not be subjected to surrounding air temperatures which fall below 45°F for a period of more than 45 minutes unless the animals are accompanied by a certificate of acclimation to lower temperatures signed by an accredited veterinarian [not more than 10 days prior to shipment] ;

4. Provide shelter from precipitation sufficient to allow animals to remain dry;

5. Avoid handling of the primary enclosure in such a manner that may cause physical or emotional trauma to the animal contained therein; and

6. Not toss, drop or needlessly tilt primary enclosures nor stack them in a manner which may result in their falling.

Article 2.

Special Standards for Dogs and Cats in Addition to General Standards.

§ 2.7. Primary enclosures for dogs and cats.

1. Dogs and cats shall be transported in a manner that during air transit the following animal or group of animals shall have its own primary enclosure:

a. A dog over six months of age;

b. A cat over six months of age;

c. A puppy weighing over 20 pounds;

d. Two kittens eight weeks to six months of age and weighing less than 20 pounds each;

e. Two puppies eight weeks to six months of age and weighing less than 20 pounds each;

f. Litter mates less than eight weeks of age accompanied by their dam.

2. During surface transit, a maximum of 12 dogs or cats shall share a primary enclosure, provided that [paragraphs 7 and 12 of] § 2.1 [~~paragraph 7, and § 2.2 paragraph 12,~~] of these regulations are met; and

3. Any aggressive dog or cat, irrespective of age and size, shall have its own primary enclosure.

§ 2.8. Food and water requirements of dogs and cats.

1. Potable water shall be offered:

- a. Within four hours prior to transport by any carrier;
- b. At least every 12 hours after initiation of travel by dealers, exhibitors, pet shops and operators of auction sales in their own primary conveyance;
- c. At least every 12 hours after acceptance for transportation by any carrier or intermediate handler, except in those cases where the animal cargo space is inaccessible during flight.

2. Food shall be offered by intermediate handlers and carriers after acceptance of any dog or cat for transportation, and by dealers, exhibitors, pet shops and operators of auction sales who transport dogs and cats in their own primary conveyance after transportation is initiated such that:

- a. Each dog and cat over 16 weeks of age shall be fed at least once in each 24-hour period; and
- b. Dogs and cats less than 16 weeks of age shall have food made available to them at least every 12 hours.

§ 2.9. Identification of dogs and cats.

Each dog and cat being transported by any dealer, exhibitor, auction sale or pet shop shall be tattooed, collared, tagged or otherwise appropriately identified in the event of the animal's escape during transit.

PART III. STANDARDS FOR THE TRANSPORTATION OF COMPANION ANIMALS, EXCLUDING BIRDS, BY CITIES, COUNTIES, ANIMAL CONTROL OFFICERS, POUNDS AND HUMANE SOCIETIES.

Article 1. General Standards.

§ 3.1. Primary enclosures used to transport companion animals.

Companion animals subject to these regulations shall be transported in a primary enclosure that shall be constructed in such a manner that:

1. The structural strength of the enclosure is sufficient to contain the animals and to withstand the normal rigors of transporting;
2. The interior of the enclosure is free from any protrusions that could be injurious to the animal contained therein;
3. The openings of such enclosures are easily accessible at all times for emergency removal of the animal;

4. Apertures are sufficient to provide for proper ventilation and normal breathing;

5. Projecting rims or other devices are on those faces of the outside walls that contain ventilation openings to prevent obstruction of those openings and to provide a minimum air circulation space of 3/4 inches between the primary enclosure and any adjacent cargo or conveyance wall, except that when a primary enclosure is permanently affixed within the animal cargo space of the primary conveyance and the front opening is the only source of ventilation this opening shall:

- a. Be constructed so as to open directly to the outside or to an unobstructed aisle or passageway within the primary conveyance;
- b. Be at least 90% of the total surface area of the front wall of the primary enclosure; and
- c. Be covered with bars, wire mesh, or smooth expanded metal;

6. Portable primary enclosures shall be equipped with adequate handholds on the exterior of the primary enclosure, placed in such a manner that the portable primary enclosure can be lifted and handled without tilting and so that the person handling the portable primary enclosure will not be in contact with the animal;

7. Be large enough to ensure that each animal contained therein has sufficient space to turn about freely in a standing position using normal body movements, to stand and sit erect, and to lie in a natural position;

8. Have solid bottoms to prevent leakage in shipment, with the exception of live traps;

[9. Contain clean litter of a suitable absorbent material that is safe and nontoxic to the animals, and in sufficient quantity to absorb or cover excreta;

10. Be clearly marked on top and on one or more sides with the words "Live Animal" or "Wild Animal," whichever is appropriate, in letters not less than 2.5 centimeters (1 inch) in height, and with arrows or other markings to indicate the correct upright position of the container, except that this shall not apply to primary conveyances which are used as primary enclosures, or to primary enclosures which are permanently affixed within the primary conveyance;]

[11. 9.] Be cleaned [and sanitized to remove all organic debris] after each use; and

[12. 10.] Contain only companion animals:

- a. Of the same species;

Final Regulations

b. In compatible groups;

c. In groups that separate the young from adults other than their dams, except for hamsters, guinea pigs and rabbits; and

d. Separated to prevent females in estrus from contact with adult males, except for hamsters, guinea pigs, and rabbits.

§ 3.2. Primary conveyances.

Primary conveyances used in transporting companion animals shall meet the following provisions:

1. The cargo space of primary conveyances used in transporting companion animals shall be constructed to protect their health and ensure their safety and comfort;

2. The cargo space shall be constructed and maintained in a manner to prevent the ingress of engine exhaust fumes and gases from the primary conveyance during transport;

3. The cargo space shall have a supply of air sufficient for normal breathing for each animal contained therein, and the primary enclosure shall be positioned in such a manner that each animal has access to sufficient air for normal breathing;

4. Temperatures in vehicles operated by cities, counties, animal control officers, or humane societies and carrying only dogs and cats over six months of age shall not exceed 85°F without supplemental ventilation nor fall below 45°F without auxiliary heat for more than two hours; those same vehicles carrying kittens and puppies shall not exceed 85°F without supplemental ventilation nor fall below 45°F without auxiliary heat for more than one hour, provided that suitable bedding is provided for these young animals in that primary enclosure [, except that in cases of unforeseen problems (such as vehicle failure or a call to pick up an injured animal), the transport time may be extended, only to reasonably necessary lengths] ;

5. Primary enclosures containing companion animals shall be positioned in the primary conveyance in such a manner that in an emergency the animals can be removed;

6. The interior of the animal cargo space shall be kept clean;

7. Companion animals shall not be transported with any material, substance, or device in such a way that can injure their health or well-being;

8. Vehicles used by pounds, cities, counties, humane societies and animal control officers to carry companion animals shall be enclosed, including but not

limited to, vans, station wagons, and pick-up trucks equipped with camper shells; so that:

a. All sides and top are covered;

b. Adequate ventilation is assured by the use of screens or ventilation systems;

c. The vehicle is insulated to provide protection from weather extremes or has an automatic heating/cooling system;

9. Vehicles used by cities, counties, animal control officers, and humane societies to transport animals in the course of animal control duties shall be identified on the outside as to jurisdiction;

10. Vehicles used by cities and counties, animal control officers and humane societies to transport animals in the course of animal control duties shall be equipped with safety equipment which shall include:

a. A working flashlight;

b. A pair of safety gloves;

c. Proper restraint equipment for the species transported;

d. A first aid kit;

e. At least one gallon of potable water; and

f. A blanket.

§ 3.3. Care in transit.

During transit it shall be the responsibility of the driver or other employee to:

1. Visually observe the companion animals as frequently as circumstances may dictate but not less than once every [~~four~~ two] hours;

2. Assure that the animals are receiving sufficient air for normal breathing;

3. Assure that the ambient temperature around the animal is between prescribed limits;

4. Assure that additional ventilation is provided if temperatures are above 85°F;

5. Determine whether any of the companion animals are in obvious physical distress;

6. Provide any needed veterinary care as soon as possible; and

7. Assure that companion animals not be removed from their primary enclosures unless placed in other

primary enclosures or facilities conforming to these recommended standards, except that exotic animals shall not be removed from their primary enclosure except in case of extreme emergency.

Article 2.

Special Standards for Dogs and Cats in Addition to General Standards.

§ 3.4. Primary enclosures for dogs and cats.

1. During surface transit, a maximum of 12 dogs or cats shall share a primary enclosure, provided that [paragraphs 7 and 12 of] § 3.1 [; paragraph 7 and § 3.1, paragraph 12,] of these regulations are met.

2. Any aggressive dog or cat, irrespective of age and size, shall have its own primary enclosure.

§ 3.5. Water requirements of dogs and cats.

Potable water shall be offered at least every four hours after initiation of travel, except that vehicles which are environmentally controlled to maintain temperatures between 45°F and 85°F at all times shall offer water at least every 12 hours.

§ 3.6. Identification of dogs and cats.

Each dog and cat being transported by a pound, humane society, city, county, or animal control officer from a facility shall be tattooed, collared, tagged or otherwise appropriately identified in the event of the animal's escape during transit.

PART IV. STANDARDS FOR THE TRANSPORTATION OF BIRDS.

§ 4.1. Primary enclosures used to transport birds.

Birds subject to these regulations shall be transported in a primary enclosure that shall be constructed in such a manner that:

1. The structural strength of the enclosure is sufficient to contain the birds and to withstand the normal rigors of transporting;

2. The interior of the enclosure is free from any protrusions that could be injurious to the birds contained therein;

3. The openings of such enclosures are easily accessible at all times for emergency removal of the birds;

4. Apertures are sufficient to provide for proper ventilation and normal breathing;

5. Projecting rims or other devices are on those faces

of the outside walls that contain ventilation openings to prevent obstruction of those openings and to provide a minimum air circulation space of 3/4 inches between the primary enclosure and any adjacent cargo or conveyance wall; except that when a primary enclosure is permanently affixed within the animal cargo space of the primary conveyance and the front opening is the only source of ventilation this opening shall:

a. Be constructed so as to open directly to the outside or to an unobstructed aisle or passageway within the primary conveyance;

b. Be at least 90% of the total surface area of the front wall of the primary enclosure; and

c. Be covered with bars, wire mesh, or smooth expanded metal;

6. Portable primary enclosures shall be equipped with adequate handholds on the exterior of the primary enclosure, placed in such a manner that the portable primary enclosure can be lifted and handled without tilting and so that the person handling the portable primary enclosure will not be in contact with the birds;

7. Be large enough to ensure that each bird contained therein has sufficient space to turn about freely in a standing position using normal body movements [; to stand and to sit erect in a natural position and to perch comfortably] ; however, certain species may be restricted in their movements according to professionally acceptable standards when such freedom of movement would constitute a danger to the animals, their handlers, or other persons;

8. Have solid bottoms to prevent leakage in shipments;

9. Allow excreta to be absorbed, covered or separated from the birds by use of a wire mesh flooring above the solid floor or of a clean litter that is safe and nontoxic to the birds [, except where these methods pose a threat to the safety of the birds] ;

10. Be clearly marked on top and on one or more sides with the words "Live Animal" or "Wild Animal," whichever is appropriate, in letters not less than 2.5 centimeters (1 inch) in height, and with arrows or other markings to indicate the correct upright position of the container, except that this shall not apply to primary conveyances which are used as primary enclosures, or to primary enclosures which are permanently affixed within the primary conveyance;

11. Be cleaned and sanitized after each use; and

12. Contain only birds:

a. Of the same species, with the exception that

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some species of birds may travel together, according to professionally accepted standards; and

b. In compatible groups.

§ 4.2. Primary conveyances.

Primary conveyances used in transporting birds shall meet the following provisions:

1. The cargo space of primary conveyances used in transporting birds shall be constructed to protect their health and ensure their safety and comfort;

2. The cargo space shall be constructed and maintained in a manner to prevent the ingress of engine exhaust fumes and gases from the primary conveyance during transport;

3. The cargo space shall have a supply of air sufficient for normal breathing for each bird contained therein, and the primary enclosure shall be positioned in such a manner that each bird has access to sufficient air for normal breathing;

4. Temperatures in primary conveyances shall not exceed 75°F [for more than 45 minutes] without supplemental ventilation through natural or automatic ventilation or air conditioning nor fall below 45°F without auxiliary heat, unless the birds are accompanied by a certificate of acclimation to lower temperatures signed by an accredited veterinarian, or unless the well-being of the confined bird mandates temperature maintenance above this range;

5. Primary enclosures containing birds shall be positioned in the primary conveyance in such a manner that in an emergency the birds can be removed;

6. The interior of the animal cargo space shall be kept clean;

7. Birds shall not be transported with any material, substance, or device in such a way that can injure their health or well-being; and

8. Vehicles used to carry birds shall be enclosed; including but not limited to, vans, station wagons, and pick-up trucks equipped with camper shells; so that:

a. All sides and top are covered;

b. Adequate ventilation is assured by the use of screens or ventilation systems;

c. The vehicle is insulated to provide protection from weather extremes or has an automatic heating/cooling system.

§ 4.3. Terminal facilities.

An animal holding area of a terminal facility of any carrier or intermediate handler shall:

1. Not commingle shipments of birds with inanimate cargo;

2. Be cleaned and sanitized often enough to prevent an accumulation of debris or excreta to minimize vermin infestation and to prevent a disease hazard;

3. Have in use an effective program for the control of insects, ectoparasites, and avian pests;

4. Be provided with fresh air by means of windows, doors, vents, or air conditioning and shall be ventilated or have air circulated by means of fans, blowers, or an air conditioning system so as to minimize drafts, odors, and moisture condensation;

5. Maintain temperature between 45°F and 85°F at all times, unless the birds are accompanied by a certificate of acclimation to lower temperatures signed by an accredited veterinarian [not more than 10 days prior to shipment] or unless the well-being of the confined bird mandates temperature maintenance above this range.

6. Use auxiliary ventilation such as exhaust fans, vents, fans, blower or air conditioning when the air temperature is above 75°F.

§ 4.4. Food and water requirements.

Adequate food and water [~~must~~ shall] be provided for in that:

1. Any individual, dealer, exhibitor, pet shop or operator of an auction sale offering any live birds to any carrier or intermediate handler for transportation, in commerce, or any dealer, exhibitor, pet shop or operator of an auction sale transporting such animals in their own primary conveyance, if such transport shall be longer than two hours, shall provide an adequate supply of food and water or an alternate source of moisture within the primary enclosure to meet the requirements of such birds except that this may be inappropriate for some birds according to professionally accepted standards.

2. No carrier or intermediate handler may accept any bird for transportation unless the above provision appropriate for the species of bird being transported has been met.

§ 4.5. Care in transit.

During transit it shall be the responsibility of the driver, carrier, or other employee to:

1. Visually observe the birds as frequently as circumstances may dictate but not less than once

every four hours during surface and air transit, except that where the animal cargo space is not accessible during flight, the animals shall be observed during loading and unloading and whenever the cargo space is otherwise accessible;

2. Assure that the birds are receiving sufficient air for normal breathing;

3. Assure that the ambient temperature around the birds is between prescribed limits;

4. Assure that additional ventilation is provided if temperatures are above 75°F, unless the well-being of the birds mandates temperature maintenance above this range;

5. Determine whether any of the birds are in obvious physical distress;

6. Provide any needed veterinary care as soon as possible; and

7. Assure that birds not be removed from their primary enclosures unless placed in other primary enclosures or facilities conforming to these recommended standards.

§ 4.6. Handling.

Carriers and intermediate handlers, in moving birds to or from the primary conveyance and animal holding area of the terminal facility, shall:

1. Move the birds as expeditiously as possible;

2. Provide sufficient shade to protect birds from the direct rays of the sun and ensure that such birds shall not be subjected to surrounding air temperatures which exceed 85°F for a period of more than 45 minutes, unless the well-being of the confined bird mandates temperature maintenance above this range;

3. Provide covered transporting devices to protect the birds when the outdoor air temperature falls below 50°F, and ensure that such birds shall not be subjected to surrounding air temperatures which fall below 45°F for a period of more than 45 minutes unless the animals are accompanied by a certificate of acclimation to lower temperatures signed by an accredited veterinarian [not more than 10 days prior to shipment] ;

4. Provide shelter from precipitation sufficient to allow birds to remain dry;

5. Avoid handling of the primary enclosure in such a manner that may cause physical or emotional trauma to the birds contained therein; and

6. Not toss, drop or needlessly tilt primary enclosures

nor stack them in a manner which may result in their falling.

* * * * *

Title of Regulation: VR 115-02-14. Rules and Regulations Governing the Transportation of Horses.

Statutory Authority: § 29-213.37 of the Code of Virginia.

Effective Date: May 13, 1987

Summary:

The purpose of these regulations is to specify those requirements to be met when transporting live horses that will preclude the inhumane treatment of these animals and foster handling and care practices that will enhance their well-being during periods of transit within the Commonwealth.

The need for these regulations has been carefully researched and demonstrated over the past six years. Their development was based on not only this research, but the considerable amount of public comment received during meetings with interested parties and during the public comment periods. All controversial points were carefully considered by the board in an attempt to reach decisions that were fair, practical and humane. The resulting regulations will serve not only to ensure humane transport of these horses, but to enhance public perception of the industry as well.

VR 115-02-14. Rules and Regulations Governing the Transportation of Horses.

§ 1. Definitions.

The following words and terms, when used in these regulations, shall have the following meaning, unless the context clearly indicates otherwise:

"Carrier" means the operator of any airline, railroad, motor carrier, shipping line, or other enterprise which, for hire, is engaged in the business of transporting any animal.

"Foal" means any horse suckling its dam.

"Horse" means those members of the genus *Equus*, including *Equus caballus*, asses, mules and hinnies.

"Mare" means a female horse.

"Pony" means a small horse standing 14.2 hands or less.

"Stallion" means an uncastrated male horse.

"Vehicle" means any machine, tractor, trailer, semi-trailer, or any combination thereof propelled or

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drawn by mechanical power and used upon the highways in the transportation of property.

§ 2. Application of regulations.

The provisions of this regulation shall apply to loads of more than six horses being transported to a commercial slaughter facility in a vehicle.

§ 3. Vehicles.

Vehicles transporting horses as set forth in § 2 [of this regulation] shall:

1. Be designed and constructed so that they can:
 - a. Be cleaned and disinfected;
 - b. Withstand the action of the weather; and
 - c. Withstand the weight of any horse which may be thrown against them;
2. Have more than one tier holding horses only if the tier is designed, constructed, and maintained to withstand the weight of the horses held by it;
3. Provide a minimum distance of 12 inches between the withers of each horse and the roof, provided that the minimum distance should only apply in so far as it permits every horse being transported to stand in its natural position;
4. Have rigid sides and suitable overhead protection;
5. Have at least two doorways for animal ingress and egress that:
 - a. Shall be on different sides of the vehicle;
 - b. Allow a minimum of 12 inches above the withers; and
 - c. Allow the largest horse to pass through without injury;
6. Be designed, constructed and maintained to ensure adequate and suitable ventilation for each horse;
7. Be equipped with permanently fitted shields that fully cover the projection of the wheel arches into the interior of the vehicle and prevent injury to horses;
8. Be free from any sharp edges or projections in the vehicle interior;
9. Protect all electrical fittings and wiring to prevent any horse from contact with them;
10. Be provided with a means of artificial lighting, fixed or portable, and capable of illuminating the

interior to facilitate proper horse care; [and]

11. Be designed to facilitate the inspection of the interior of the vehicle from the outside [;]

[12. Have floors which, to ensure horses a proper foothold, are:

- a. Covered with nonskid rubber or other material secured to the floor;
 - b. Constructed with metal grade floors with dull surfaces; or
 - c. Strewn with adequate amounts of sand or other nonskid substances;
13. Be provided with sufficient tying points when transporting horses which need to be secured; and
14. Have partitions:
- a. As necessary to separate horses named in § 8 of this regulation and to comply with paragraph 4 of § 6 of this regulation:
 - b. Constructed and maintained to withstand the weight of any horse which may be thrown against them;
 - c. Constructed to ensure that any gap which is left between the lower end of the partition and the vehicle floor will not result in injury to the limb of any horse; and
 - d. Of a height of at least 50 inches.]

§ 4. Loading and unloading.

Horses shall be loaded and unloaded in a vehicle such that:

1. A ramp, fitted or strewn with a nonskid material, shall be provided if the vertical distance from the trailer to the loading platform is greater than 15 inches;
2. No horse is caused injury or suffering by:
 - a. The excessive use of any device for driving - horses; or
 - b. Contact with any part of the vehicle or accessory carried within;
3. Horses shall be tied as necessary;
4. In vehicles containing more than one tier, the weight of the horses upon the tier shall not be greater than the amount of weight the tier can support;

5. No untied horse, other than a mare with foal, shall be carried in the same compartment with any tied animal;

6. Each horse is adequately supported against the motion of the vehicle; and

7. Each group of horses set forth in § 8 [of this regulation] shall be separated from every other group by means of a partition.

§ 5. Cleaning and disinfection.

All vehicles shall be thoroughly cleaned and disinfected after each use.

§ 6. Protection during transport.

To ensure the well-being of the horses transported under the provisions of this regulation:

1. No horse shall be caused suffering owing to exposure to the weather;

2. Each horse shall have an adequate supply of fresh air;

3. The driver or an attendant [~~must~~ shall] be responsible for proper care, feeding and watering of the horses; and

4. A partition shall be placed, without causing overcrowding, to ensure that horses are not thrown about when the number of horses carried is less than the number which could be accommodated.

§ 7. Food, water and exercise.

In transit, any horse subject to these regulations shall be:

1. Offered potable water at least every 24 hours;

2. Fed every 24 hours; and

3. Unloaded and exercised every 24 hours.

§ 8. Grouping of horses for transport.

Horses shall be grouped such that:

1. Each individual horse of the following categories shall have a separate stall during transport:

a. An injured or physically disabled horse;

b. A stallion, unless sedated;

c. An aggressive horse; and

d. A mare in season;

2. Each mare with a foal at foot shall travel with that foal, but separated from all other animals; and

3. Except for those horses listed in § 8 [of this regulation] , a horse belonging to a specific group below may travel with others of that same group, but separate from all other groups:

a. Foals of any description under nine months of age;

b. Horses and ponies over nine months of age and standing less than 15 hands high (less than 60 inches to the withers);

c. Horses and ponies over nine months of age and standing 15 hands or taller (60 inches or greater to the withers).

§ 9. Injured or physically disabled horses.

Injured or physically disabled horses shall be protected by the following:

1. No horse which is injured or disabled shall be permitted by its owner or his agent, or by the consignor, carrier, or other person in charge of the horse, to be transported or, where a journey has commenced, to be further transported if by reason of its unfitness, the horse is likely to be subjected to additional suffering;

2. No horse likely to give birth in the course of a proposed journey shall be permitted by its owner or his agent, or by the consignor, carrier or other person in charge of the horse to undertake that journey;

3. The person in charge of a horse which becomes unfit in the course of a journey shall ensure that it is not transported for a period longer than is necessary to transport it to the nearest available place at which it can receive veterinary medical attention; and

4. Special care shall be taken when loading injured or physically disabled horses to prevent additional suffering.

DEPARTMENT OF MEDICAL ASSISTANCE SERVICES (BOARD OF)

REGISTRAR'S NOTICE: This regulation is being adopted in response to a federal regulatory mandate. The Department of Medical Assistance Services is requesting exclusion from the requirements of Article 2 (§ 9-6.14:7.1 et seq.) of Chapter 1.1:1 of Title 9 of the Code of Virginia.

Title of Regulation: VR 460-01-13.0000. Medicaid State Plan - Eligibility for the Homeless.

Final Regulations

Statutory Authority: § 32.1-324 of the Code of Virginia.

Effective Date: January 1, 1987

Summary:

This amendment merely places language in the Plan for policies and procedures of long standing effect. An amendment contained in Public Law 99-509 which amended § 1902 (a)(47) of the Social Security Act required that a Medicaid State Plan provide a method of assuring eligibility for medical assistance to an otherwise eligible individual who does not reside in a permanent dwelling or does not have a fixed home or mailing address.

Since this amendment is not affecting any policy or procedural change in the Medicaid Program, it is having no impact on either the budget, recipients or provider community.

VR 460-01-13.0000. Medicaid State Plan - Eligibility for the Homeless.

§ 2.3. Residence.

A. Medicaid is furnished to eligible individuals who are residents of the State Commonwealth under 42 CFR 435.403.

B. The regulatory citation for provision A is: 42 CFR 435.10; 42 CFR 435.403; A.T. 79-65.

C. *Permanent addresses are not required. Recipients are allowed to choose the method of receiving their Medicaid cards:*

1. *Mailing to General Delivery at a post office of their choice;*
2. *Picking up their card at the local department of social services;*
3. *An alternate mailing address with assurances of receipt of mail.*

D. The statutory citation for provision C is: § 1902(b)(2) of the Act.



COMMONWEALTH of VIRGINIA

VIRGINIA CODE COMMISSION
General Assembly Building

POST OFFICE BOX 3
RICHMOND, VIRGINIA 22
3041 7862

March 30, 1987

Ray T. Sorrell, Director
Department of Medical Assistance Services
600 East Broad Street
Richmond, Virginia 23219

Re: VR 460-01-13.0000 - Eligibility for the Homeless

Dear Mr. Sorrell:

This will acknowledge receipt of the above-referenced regulation from the Department of Medical Assistance Services.

As required by § 9-6.14:4.1 C.4.(c). of the Code of Virginia, I have determined that these Regulations are exempt from the operation of Article 2 of the Administrative Process Act since they do not differ materially from those required by federal law.

Sincerely,

Joan W. Smith
Registrar of Regulations

JWS:s11

* * * * *

REGISTRAR'S NOTICE: This regulation is being adopted in response to a federal regulatory mandate. The Department of Medical Assistance Services is requesting exclusion from the requirements of Article 2 (§ 9-6.14:7.1 et seq.) of Chapter 1.1:1 of Title 9 of the Code of Virginia.

Title of Regulation: VR 460-03-2.6151. Medicaid State Plan - Amendment Concerning Medically Needy Resource Levels

Statutory Authority: § 32.1-325 of the Code of Virginia.

Effective Date: January 1, 1987

Summary:

The Deficit Reduction Act of 1984 (Public Law 98-369) mandated an increase in the Supplemental Security Income (SSI) program resource limits for an individual and a couple who apply for assistance. The Social Security Act, § 1902(a)(10)(c), requires Medicaid to use a single standard in determining the resource eligibility for the medically needy class of applicants. This standard must equal the highest resource standard used by the cash assistance programs, SSI or Aid to Dependent Children (ADC) (federal regulations 42 CFR 435.841). The Virginia ADC program resource standard for a family of any size is \$1,000. On January 1, 1987, the SSI resource standard (and the medically-needy resource standard) for an individual increased to \$1,800 for a single person and to \$2,700 for a couple or two-person family. Because the SSI standard is highest, Virginia must adopt this as the resource standard to determine eligibility for the medically needy unless it chooses to apply a more restrictive resource standard under its authority according to § 1902(f) of the Social Security Act. The board has not chosen this option; therefore it must use the SSI standard.

The Virginia Medicaid Program considered the alternative of retaining the current resource standards, which would have been more restrictive than SSI as of January 1, 1986. However, this alternative was rejected at that time. Resource standards were changed in 1985 for the first time since 1975. In 1984, the Congress, desiring to mitigate the impact of a decade of high inflation, approved yearly resource increases in \$100 increments to permit an individual to own \$2,000 in resources in 1989.

In addition, retention of the lower resource standard would require invoking the Commonwealth's authority under § 1902(f) of the Social Security Act. At the present time, the Department of Social Services does not have to reverify all liquid resources owned by recipients of SSI. If the Social Security Administration has verified the resources and found them to be less than the resource standard, the resources do not have

to be verified again because the Medicaid and SSI standards are identical. If Virginia adopted lower resource standards, local agencies would have to reverify full eligibility of every SSI recipient. Instead of a simplified short application form, a longer more detailed application and verification process would be required for the 75,000 SSI recipients who also now receive Medicaid. The additional administrative cost of processing these applications is estimated by the Department of Social Services to be \$300,000.

Because these standards are federally mandated, preliminary approval and public hearings and comments are not required under the Virginia Administrative Process Act. The funds to provide for this increase were included in the budget process and have already been approved.

Impact:

The proposed increased standards liberalized Medicaid eligibility requirements and will increase the number of eligible persons. Needy persons can retain more assets and still be eligible for Medicaid assistance. All applicants for the recipients of Medicaid will be affected by the increase in standards.

Because this will increase the number of eligible individuals, Medicaid expenditures will increase. Based on past samplings of applications denied because of excess resources, we estimate an additional 264 individuals will be eligible in 1987. The expenditures for these individuals for fiscal year 1988 are estimated at \$1,371,660 or \$652,228 General Fund and \$719,432 Non-General Fund. These moneys are included in the Department's budget for FY 88.

The Department of Social Services (DSS) currently uses resource standards in determining Medicaid eligibility; therefore, only a change in the limit for determining eligibility will be necessary. No new administrative procedures are required by this proposed change.

VR 460-03-2.6151. Medicaid State Plan - Amendment Concerning Medically Needy Resource Levels.

FEBRUARY 1985

SUPPLEMENT 5 TO ATTACHMENT 2.6-A

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of VIRGINIA

METHODOLOGIES FOR TREATMENT OF INCOME AND RESOURCES THAT DIFFER FROM THOSE OF THE SSI PROGRAM

100. Income and Resource Requirements Applicable to all Groups.

Final Regulations

The value of real and personal property resources owned by the applicant/recipient may not exceed [\$1,700 \$1,800] for a single person, [~~\$2,550~~ \$2,700] for a couple or two-person family unit. For each additional person in the family unit, an additional \$100 in resources is allowed.

Real or personal property of a spouse is considered available to a spouse if they are living together. Real or personal property of a parent living in the home is considered available to his/her child(ren), except property owned by an SSI recipient is not considered available to his/her children in determining their eligibility for Medicaid.

No lien may be imposed or any encumbrance placed upon any property, real or personal, owned by a recipient of medical assistance except pursuant to a court judgment on account of benefits incorrectly paid.

For income-producing property and other nonresidential property, appropriate equity and profit is to be determined by the prorata share owned by an individual in relation to his proportionate share of the equity and profit.

Property in the form of an interest in an undivided estate is to be regarded as an asset unless it is considered unsealable for reasons other than being an undivided estate. An heir can initiate a court action to partition. However, if such an action would not result in the applicant/recipient securing title to property having value substantially in excess of the cost of the court action, the property would not be regarded as an asset.

The current market value of real property is determined by ascertaining the tax assessed value of the property and applying to it the local assessment rate. The equity value is the current market value less the amount due on any recorded liens against the property. "Recorded" means written evidence that can be substantiated, such as deeds of trust, liens, promissory notes, etc.

The following limitations apply to income and resources in addition to the income and resource requirements of the Supplemental Security Income (SSI) program for the aged, blind and disabled, and of the Aid to Dependent Children (ADC) cash assistance program for all other individuals:

RESOURCE LEVELS FOR THE MEDICALLY NEEDY

..X.. Applicable to all groups.

.... Applicable to all groups except those specified below under the provisions of § 1902(f) of the Act.

Family Size	Resource Level
1	[\$1,700 \$1,800]
2	[\$2,550 \$2,700]
3	[\$2,650 \$2,800]
4	[\$2,750 \$2,900]

5	[\$2,850 \$3,000]
6	[\$2,950 \$3,100]
7	[\$3,050 \$3,200]
8	[\$3,150 \$3,300]
9	[\$3,250 \$3,400]
10	[\$3,350 \$3,500]

For each additional person add \$100



COMMONWEALTH of VIRGINIA

VIRGINIA CODE COMMISSION
General Assembly Building

POST OFFICE BOX 346
RICHMOND, VIRGINIA 23208
(804) 796-2591

March 30, 1987

Ray T. Sorrell, Director
Department of Medical Assistance Services
600 East Broad Street
Richmond, Virginia 23219

Re: VR 460-03-2.6151. - State Plan Amendment Concerning Medically Needed Resource Levels

Dear Mr. Sorrell:

This will acknowledge receipt of the above-referenced regulation from the Department of Medical Assistance Services.

As required by § 9-6.14:4.1 C.4.(c). of the Code of Virginia, I have determined that these Regulations are exempt from the operation of Article 2 of the Administrative Process Act since they do not differ materially from those required by federal law.

Sincerely,

Joan W. Smith
Registrar of Regulations

JWS:s11

EMERGENCY REGULATION

BOARD OF EDUCATION

Title of Regulation: Regulations Governing Literary Loan Applications in Virginia.

Statutory Authority: Article VIII, § 8 of the Constitution of Virginia; §§ 22.1-16, 22.1-142 through 22.1-161 of the Code of Virginia.

Effective Date: Upon adoption by the Board and filing with the Registrar of Regulations, pursuant to § 9-6.14:9 of the Code of Virginia (March 23, 1987 through March 22, 1988).

Summary:

These amended regulations set forth the manner in which the Virginia Board of Education and Department of Education will review and act upon Literary Loan applications from public school divisions in Virginia. They set forth the Board's policy with respect to such loan applications, applicable interest rates, loan ranges and procedure for placement on the waiting list for loan funding. These emergency regulations substantially amend the prior regulations of the Board applicable to Literary Loan applications.

Background and Emergency Justification:

On February 2, 1987, the Secretary of Education presented to the Board of Education a Report on the Literary Fund (Report). The Report was made by the Secretary to the Board and the General Assembly in response to Item 144, Chapter 643, Acts of Assembly of 1986.

The Report found that, since 1983, requests for Literary Fund loans have steadily increased and far exceeded available revenues. By FY 1991 requests will have exceeded available funds by \$176 million. Today, delays in funding approved projects run up to 16 months; within four years, delays could be as long as 34 months.

Further, the Report found that disbursement of Literary Fund loans has become increasingly concentrated in a relatively small number of localities. With no changes in policy, eleven school divisions could have approximately 50 percent of the Literary Loan proceeds by 1991; many of these may not be the most in need of the special low interest loans provided through the Literary Fund.

The General Assembly requires in § 22.1-147 of the Code, that the Board "provide for an equitable distribution of funds loaned from the Literary Fund among the several school divisions." The Report found that the current concentration of Literary Loans in the hands of a few localities causes many other localities to wait longer for a Literary Loan. Many of the localities which are forced to wait do not have

alternative low interest financing.

The Board has given notice to the public of its intention to scrutinize all of its current regulations and policies. On January 19, 1987, in accordance with the Board's public participation guidelines, a Notice of Intended Regulatory Action was published in the Virginia Register notifying the public that the Board intended to consider amending all of its regulations. The Board scheduled a public hearing on the Secretary's Report and its recommendations for February 26, 1987. Further, on February 4, 1987, the Superintendent of Public Instruction notified all Division Superintendents of the Report's recommendations and findings, and gave notice of the public hearing.

Following receipt of the Secretary's Report the General Assembly included in Item 154 of the 1986-1988 Appropriations Act provisions to prioritize the funding of Literary Loan applications and to reduce the waiting list for Literary Loans.

It appears to the Board that immediate action must be taken to modify the manner in which the Board approves and prioritizes Literary Loan applications and the release of funding for such loans. This action is necessary in order that the waiting list for such loans will be reduced and loans will be equitably distributed among the several school divisions. Immediate action also is necessary at this point so that the Board can implement the 1986-1988 Appropriations Act. The Board finds that an emergency situation exists and there is an immediate need to change the management of Literary Loan applications through the adoption of these emergency regulations.

The Board of Education, consistent with its Bylaws and the Administrative Process Act, will receive, consider and respond to petitions by any interested person with respect to reconsideration or revision of these emergency regulations at any time during the limited duration of these regulations.

Approval Sought:

Approval of the Governor is sought for the emergency amendment of the Board of Education regulations in accordance with the Code of Virginia, § 9-6.14:4.1 C (5).

Implementation:

After the Governor's approval is given, the Board of Education will publish as soon as possible these emergency regulations in the Virginia Register. The effective period of the emergency regulations will be limited to one year or until full compliance with provisions of the APA process in § 9-6.14:1 of the Code of Virginia are met, whichever occurs first. This emergency regulation was effective on March 23, 1987,

Emergency Regulation

and is to remain in effect for one year unless superseded by an Act of the General Assembly or subsequent nonemergency regulations.

Submitted by: /s/ S. John Davis
Secretary of the
Virginia Board of Education
Date: March 20, 1987

Submitted by: /s/ Donald J. Finley
Secretary of Education
Date: March 20, 1987

Approved by: /s/ Gerald L. Baliles
Governor of Virginia
Date: March 21, 1987

Filed with: /s/ Joan S. Smith
Registrar of Regulations
Date: March 23, 1987 - 11:38 a.m.

LITERARY FUND

I. Maximum loan available from literary fund for school construction

II. Rate of interest

III. Duration of loan

IV. Payment of outstanding balance when title to property is transferred

I. Maximum loan available from literary fund for school construction

It is the policy of the Board of Education to assist localities in borrowing from the Literary Fund to the greatest extent feasible. The Board recognizes that it has the responsibility to assist as many localities as possible in borrowing from this source for capital projects for school construction. From time to time the Board will continue to review its policies, procedures, and regulations in order to assist localities having projects qualifying for literary Fund loans. A project is defined as capital construction for the purpose of erecting, altering, or enlarging a school. Therefore, the Board establishes the maximum amount available for any single project loan at \$1,000,000 \$2,000,000 (effective January 1, 1982).

II. Rate of interest

It further establishes the rate of interest for such loans at three percentum per year.

The interest rate to be charged shall be based on the Composite Index, used for distribution of State Basic Aid, in effect when the Board approves the initial application;

The specific interest rate for a loan shall be determined as follows:

a. Composite Index between .2000 and .3000: 3%

b. Composite Index between .4000 and .5000: 4%

c. Composite Index between .6000 and .7000: 5%

d. Composite Index of .8000: 6%

The effective date of this change shall be July 1, 1984, April 1, 1984. However, all applications which have been approved and signatures affixed thereto prior to April 1, 1984 by the four local officials required to do so, shall be charged a 3 percent interest rate.

III. Duration of loan

Loans may be made for a period of not less than five years or more than 20 years.

IV. Payment of outstanding balance when title to property is transferred.

When a school board sells or transfers property on which there is an outstanding balance or a literary loan on said property, such balance becomes due and must be paid before title to the property is conveyed to the new owner. This provision, however, is not applicable when a court of competent jurisdiction decrees otherwise in an annexation settlement.

Application forms available from the Department of Education are subject to approval by the Board.

Authority - Code of Virginia, Sections 22.1-142 through 22.1-161

Regulations Governing Literary Loan Applications in Virginia.

PART I. POLICY.

§ 1.1. It is the policy of the Board of Education to assist localities in borrowing from the Literary Fund to the greatest extent feasible, taking into consideration, the size of the Literary Fund, the availability to school divisions of alternative financing, the number and repayment ability of school divisions desiring to borrow from the Literary Fund, and the sense of the General Assembly for the administration and equitable distribution of the Literary Fund.

PART II. DEFINITIONS.

§ 2.1. The following words and terms, when used in these temporary regulations, shall have the following meaning:

"Approved Application List" means the list maintained by the Department of Education of those Literary Loan applications which initially have been approved as to form

Emergency Regulation

by the Board of Education but have not been placed on the "Waiting List."

"Board" means the State Board of Education.

"Department" means the State Department of Education.

"Project" means capital construction for the purpose of erecting, altering, or enlarging a school building in a public school division of Virginia, or a regional center operating under a Board of Control as defined by board regulations.

"Waiting List" means the list maintained by the Department of those Literary Loan applications which the Board has placed on the Waiting List of loans anticipating the release of loan funds from the Literary Fund.

PART III. APPLICATION APPROVAL.

§ 3.1. A school division applying for a Literary Loan shall meet the statutory requirements for such a loan as set forth in §§ 22.1-142 through 22.1-161 of the Code of Virginia and the Appropriations Act. The application shall be submitted to the Department on Form V.A. 005, completed, signed and sealed by the appropriate local officials and examining attorney certifying to the information contained in the application.

§ 3.2. After examination and review of the contents of the application by the staff of the Department and review of the application and the certifications by the Office of the Attorney General, the Department shall recommend to the Board the approval of those applications which are in proper form for further consideration by the Board and for placement on the Approved Application List.

§ 3.3. Upon approval of a Literary Fund loan application, a Memorandum of Lien form, properly executed, is to be returned to the Department for recordation, after which it will be forwarded to the State Treasurer for record keeping. It is recognized that the lien is not effective until the Board of Education approves the initial release/commitment of funds against the project. Section 22.1-157 of the Code provides that no recordation tax shall be assessable.

§ 3.4. Applications for Literary Fund loans will not be approved by the Board if the project already has been bid prior to receipt of the application in the Department.

PART IV. APPROVED APPLICATION LIST.

§ 4.1. The Board shall place applications on the Approved Application List upon the recommendation of the Department made by the Superintendent of Public Instruction or his designee.

§ 4.2. For applications on the Approved Application List to

qualify for placement on the Waiting List, school divisions must submit architectural and engineering plans to the Department for review and approval by the Department.

§ 4.3. Upon notification that plans submitted under § 4.2 have been approved by the Department, school divisions on the Approved Application List must request in writing to be placed on the Waiting List.

§ 4.4. Except as provided in § 10.2, applications which remain on the Approved Application List for three years shall be removed from the list. Localities shall be notified at the end of the second year of the three-year cancellation policy.

PART V. RANGE AND DURATION OF LOANS.

§ 5.1. Except as provided in § 5.2, the maximum loan amount available for any single project through the Literary Fund is \$2,000,000.

§ 5.2. In the event the applicant school division(s) certifies and the Board determines that the project will result in the closing of two or more school buildings due to (1) inability to meet educational requirements, (2) structural deficiencies, or (3) cost inefficiencies, the applicant school division(s) shall be eligible for an amount up to an additional \$1 million on a Literary Fund loan for such project.

§ 5.3. In the event that two or more school divisions are consolidated into a single school division, the consolidated school division shall be eligible for an amount up to an additional \$1 million on a Literary Fund loan for any project resulting directly from said consolidation.

§ 5.4. The minimum loan amount available for any single project through the Literary Fund is \$100,000 (effective for all applications not approved by the Board as to form by March 1, 1987). The several applications to fund a regional project shall be combined for the purpose of meeting this minimum amount.

§ 5.5. Literary Fund loans shall be made for a period of not less than five years nor more than 20 years.

PART VI. INTEREST RATES.

§ 6.1. Except as modified by § 6.3 below, the interest rate for a Literary Loan shall be based on the school division's Composite Index, used for distribution of State Basic Aid, in effect when the Board places the project on the Waiting List, except with respect to the interest rate on those applications on the Approved Application List prior to the effective date of these emergency regulations, which interest shall not be increased.

§ 6.2. The interest rate for a loan generally shall be determined on the basis of a composite index of the

Emergency Regulation

applying school division as follows:

.....	Per Annum
.....	Interest Rate
Step 1. Composite Index between .2 and .299	2%
Step 2. Composite Index between .3 and .399	3%
Step 3. Composite Index between .4 and .499	4%
Step 5. Composite Index between .6 and .8	6%

§ 6.3. The Board reserves its option under § 22.1-150 of the Code of Virginia to fix the actual rate for a Literary Loan, on the date funds for the Literary Loan are approved for release, at one percentage point above or below the rate applicable on the date the application was placed on the Waiting List.

PART VII. WAITING LIST.

§ 7.1. After a loan application initially has been approved by the Department and the Division requests in writing to be placed on the Waiting List for Literary Fund funding, the Board shall consider placement of the application on the Waiting List.

§ 7.2. Applications shall be placed into priorities on the Waiting List in accordance with Item 154 of the 1986-88 Appropriations Act as amended by the 1987 Session of the General Assembly.

Priority 1: Applications on the list for Recommended Deferral of Initial Release/Commitment of Literary Funds as approved by the Board as of March 1, 1987 from school divisions having a composite index less than .6000 and an outstanding indebtedness (including the application considered for release of funds) to the Literary Fund less than \$10 million.

Priority 2: Applications placed on the Waiting List by the Board of Education subsequent to March 1, 1987 from school divisions having a composite index less than .6000, and an outstanding indebtedness (including the application considered for release of funds by the Board of Education) to the Literary Fund less than \$10 million.

Priority 3: Applications on the list for Recommended Deferral of Initial Release/Commitment of Literary Funds as approved by the Board of Education as of March 1, 1987 from school divisions having a composite index of .6000 or above, or an outstanding indebtedness (including the application considered for release of funds by the Board of Education) to the Literary Fund greater than \$10 million.

Priority 4: Applications placed on the Waiting List as approved by the Board of Education subsequent to March 1, 1987 received from school divisions having a composite index of .6000 or above, or an outstanding indebtedness (including the application considered for

release of funds by the Board of Education) to the Literary Fund greater than \$10 million.

§ 7.3. Within each priority, applications shall become eligible for release of funding in the same relative order as having been approved by the Board as having met all conditions for a Literary Fund loan.

§ 7.4. Applications in Priority 3 and Priority 4 shall be eligible for funding only when the Board certifies that all applications, current and anticipated, with higher priorities, and the applications to be added from Priority 3 and Priority 4, can be funded within one year.

§ 7.5. The Board may place an individual application ahead of its position assigned by § 7.3, if the Board finds that the best interest for the education in the state is served by such placement. Reasons for such placement may include, but are not limited to (1) asbestos containment or removal; (2) natural disasters; (3) unique circumstances that may be detrimental to education in the absence of a Literary Fund loan. Such placement shall be acted on by the Board on an individual application basis when all requirements for release of a Literary Fund loan have been met by the school division.

PART VIII. RELEASE OF LITERARY FUNDS.

§ 8.1. The release of Literary Funds shall be approved by the Board for an application when the Literary Fund has an unencumbered sum available that is at least equal to the amount of the application.

§ 8.2. All other funds committed to a Literary Fund project must be expended before the Literary Fund loan shall be available for disbursement to the locality for the approved project.

§ 8.3. Actual disbursements charged to the approved Literary Fund loan shall be subject to the submission of actual invoices or other evidence of bills paid or due and payable by the locality.

§ 8.4. Upon the award of the construction contract for an application in Priority 1 or Priority 2 on the Waiting List, funds shall be released for the reimbursement of the design phase of architectural and engineering services for the project. Applications in Priority 3 and Priority 4 shall be eligible for reimbursement of the design phase of architectural and engineering services only when the application has been certified to be eligible for funding by the Board under § 7.4.

§ 8.5. After the Department's approval of final plans and specifications under § 22.1-140, localities may proceed with a Literary Fund project and still qualify for reimbursement from the Literary Fund provided that short term financing is used for that portion of the project to be financed by a Literary Fund loan (§ 22.1-148.B, Code of Virginia). A temporary loan shall be subject to the

restrictions found in § 22.1-110, Code of Virginia. Short term financing also may include advances from other fund balances and current operating funds. If permanent financing such as bond funds authorized through locally approved referenda, by local charter, or the Virginia Public School Authority are used for the Literary Fund portion of the project, Literary Funds shall not be released for the project when the application moves to the top of the Waiting List.

§ 8.6. An application which has been approved for release of funds and which has not been bid within two months of the Board action to release funds will be returned to the Approved Application List. Upon the written request by the locality for reinstatement, any application so returned will be reinstated by the Board at the bottom of the appropriate priority (§ 7.2) of the Waiting List. The date of the Board's reinstatement on the Waiting List by this section shall determine the relative order for eligibility of funding.

PART IX. PROPERTY TRANSFER.

§ 9.1. When a school board or a local governing body sells or transfers property on which there is an outstanding balance on a Literary Loan, such balance becomes due and must be paid before title to the property is conveyed to the new owner. In no event, however, shall this provision be applicable where a court of competent jurisdiction decrees otherwise in an annexation settlement.

PART X. TRANSITIONAL PROVISIONS.

§ 10.1. All loan applications which, prior to the effective date of these regulations, were on the current "inactive list" maintained by the Department (i.e., loan applications which were approved by the Board) and which were not on the Waiting List, shall be placed automatically on the "Approved Application List." The order in which such applications are placed on the Waiting List shall be governed by the provisions of these emergency regulations.

§ 10.2. Literary Loan applications on the "inactive list" dated March 1, 1987 shall have one year from the effective date of these emergency regulations to submit final plans and specifications to the Department or be removed from the Approved Application List (unless the application was approved by the Board subsequent to March 1, 1985).

§ 10.3. Literary Loan application Form V.A. 005 shall remain the proper form for filing a Literary Loan application, and is obtainable from the Department.

STATE CORPORATION COMMISSION

STATE CORPORATION COMMISSION

Bureau of Insurance

Bureau of Insurance

March 9, 1987

March 3, 1987

Administrative Letter 1987-3

Administrative Letter 1987-2

TO: All Companies Licensed to Write Life Insurance and/or Annuities in Virginia.

TO: All Insurers Providing Coverage for Mental Health Benefits in Virginia.

RE: § 55-210.4:01 of the Code of Virginia, Unclaimed Property - Change of Beneficiary Forms.

RE: Chapter 12 of Title 37.1 of the Code of Virginia (Disclosure of Patient Information to Third Party Payors by Professionals).

It has come to our attention that a number of insurers are either unaware of, or have not yet taken steps to comply with, the revision of the above-referenced section of the Uniform Disposition of Unclaimed Property Act.

It was recently brought to my attention that insurers may be collecting detailed information relating to an insured's illness and treatment which may be in excess of that required to settle the insurance claim. All insurers providing coverage for mental health benefits should be aware of the provisions of Chapter 12 of Title 37.1 (Virginia Code § 37.1-225 et seq.). A copy of the pertinent sections of this law is attached to this letter for your information and records. This law should be read in conjunction with Chapter 6 of Title 38.2 (Virginia Code § 38.2-600 et seq.).

Section 55-210.4:01.F states, with regard to funds owing under life insurance policies:

By law, mental health professionals may only provide insurers with certain brief information on the patient's illness and treatment. If the insurer is unable to settle the claim based on the information provided, then a physician employed by the insurer may request additional information by stating the reasons therefor. An insurer may not, except in a few limited instances, disclose any information received from a mental health professional or treatment facility about an insured without the insured's expressed written consent. Violations of this law may subject both the mental health professional and the insurer to civil or criminal penalties.

F. Commencing July 1, 1986, every change of beneficiary form issued by an insurance company under any life or endowment insurance policy or annuity contract to an insured or owner who is a resident of this Commonwealth must report the following information:

1. The name of each beneficiary, or if the class of beneficiaries is named, the name of each current beneficiary in the class;
2. The address of each beneficiary; and
3. The relationship of each beneficiary to the insured.

The change of beneficiary form, then, must elicit the information specified above, so that it is on record with the insurer at such time as the provisions of the Uniform Disposition of Unclaimed Property Act become applicable to a particular policy or contract.

Any questions concerning this Administrative Letter should be addressed, in writing, to P.A. Synnott, Jr., Deputy Commissioner for Market Regulation, P.O. Box 1157, Richmond, Virginia 23209.

Each recipient of this letter is requested to take immediate steps, if necessary, to bring its Change of Beneficiary forms into compliance with the foregoing requirements.

/s/ Steven T. Foster
Commissioner of Insurance

* * * * *

Any questions concerning the contents of this letter may be addressed, in writing, to Gerald A. Milsky, Assistant Commissioner, Life and Health Division, at the above address.

Bureau of Insurance

March 13, 1987

Administrative Letter 1987-4

/s/ Steven T. Foster
Commissioner of Insurance

MEMORANDUM

TO: All Reciprocal Insurers Licensed in Virginia.

RE: Appointment of the Clerk of the Commission as Agent for Service of Process.

* * * * *

It has come to our attention that certain reciprocal insurers are not in compliance with Virginia Code § 38.2-1216. Effective July 1, 1986, § 38.2-1216 supplanted § 38.2-700, which had required appointment of the Secretary of the Commonwealth for service of process by every reciprocal insurer licensed to do business in Virginia. All licensed reciprocal insurers must now appoint the Clerk of the State Corporation Commission as agent for service of process.

Providing for transition, § 38.2-1216 states in pertinent part:

Any domestic, foreign or alien reciprocal that, on July 1, 1986, has appointed the Secretary of the Commonwealth as its agent for service of process shall comply with the requirements of this section within six months of July 1, 1986.

By December 31, 1986, therefore, every licensed reciprocal insurer should have filed a properly executed power-of-attorney appointing the Clerk of the State Corporation Commission as its agent.

The SCC/Bureau of Insurance is enclosing copies of two versions of its power-of-attorney form: one for corporations, the other for individuals. The appropriate form should be executed by the attorney-in-fact of every licensed reciprocal insurer which has not as yet appointed the Clerk of the Commission as its agent pursuant to § 38.2-1216. No later than April 30, 1987, three copies of the form with original signatures and properly executed should be received by the SCC/Bureau of Insurance at the following address:

Company Licensing and Regulatory Compliance
SCC/Bureau of Insurance
Box 1157
Richmond, VA. 23209

/s/ Steven T. Foster
Commissioner of Insurance

State Corporation Commission

Corporate

POWER OF ATTORNEY

For appointment of Agent by a Reciprocal Doing Business in
Virginia under Chapter 12, Title 38.2 of the Code of Virginia.

KNOW ALL MEN BY THESE PRESENTS:

That the subscribers of the _____, a reciprocal organized and existing under the laws of _____ by their duly authorized attorney-in-fact, acting under and pursuant to the provisions of Section 38.2-1216 of the Code of Virginia, have agreed and by these presents do agree that upon and after the issuance, by the State Corporation Commission, of a license permitting the reciprocal to transact business in the Commonwealth of Virginia, any action or suit against the reciprocal, its subscribers or their attorney-in-fact, arising out of or on account of any policy, contract or agreement for insurance in the reciprocal, may be brought in the city or county in which the cause of action arises or the claimant resides.

And the subscribers of the _____ by their duly authorized attorney-in-fact, have further made, constituted and appointed, and by these presents do make, constitute and appoint the Clerk of the State Corporation Commission and his successor or successors in office, to be their true and lawful agent and attorney-in-fact for the period of their license upon whom all legal process against the reciprocal, its subscribers or their attorney-in-fact, in all actions or suits arising out of or on account of policies, contacts or agreements of insurance in the reciprocal, may be served, which service shall be valid and binding upon all subscribers exchanging at any time reciprocal insurance contracts through the attorney-in-fact whose name is affixed hereto, or his duly appointed successor.

IN WITNESS WHEREOF, _____, incorporated under the laws of _____, the duly authorized attorney-in-fact of the _____ acting for the subscribers of the reciprocal, has executed this power of attorney in duplicate, by affixing hereto the name or designation of the reciprocal and his own name as attorney-in-fact, this _____ day of _____, 19____.

(Attorney-in-Fact)

Corporate Seal

(Name)

(Title)

Attested By: _____
(Name)

SCC/BOI:RE1

State Corporation Commission

(Note: Where attorney-in-fact is a corporation, execution should be by the president, with the corporate seal attached and attested by the secretary).

STATE OF _____

CITY (OR COUNTY) OF _____

I, _____, a Notary Public in and for the city (or county) aforesaid, hereby certify that _____ and _____, whose names as President and Secretary are signed to the foregoing power of attorney have acknowledged the same before me in my city (or county) aforesaid.

Given under my hand and official seal this _____ day of _____, 19____.

(Notary Public)

My Commission expires _____.

Notary Seal

State Corporation Commission

Individual

POWER OF ATTORNEY

For appointment of Agent by a Reciprocal Doing Business in
Virginia under Chapter 12, Title 38.2 of the Code of Virginia.

KNOW ALL MEN BY THESE PRESENTS:

That the subscribers of the _____, a reciprocal organized and existing under the laws of _____ by their duly authorized attorney-in-fact, acting under and pursuant to the provisions of Section 38.2-1216 of the Code of Virginia, have agreed and by these presents do agree that upon and after the issuance, by the State Corporation Commission, of a license permitting the reciprocal to transact business in the Commonwealth of Virginia, any action or suit against the reciprocal, its subscribers or their attorney-in-fact, arising out of or on account of any policy, contract or agreement for insurance in the reciprocal, may be brought in the city or county in which the cause of action arises or the claimant resides.

And the subscribers of the _____ by their duly authorized attorney-in-fact, have further made, constituted and appointed, and by these presents do make, constitute and appoint the Clerk of the State Corporation Commission and his successor or successors in office, to be their true and lawful agent and attorney-in-fact for the period of their license upon whom all legal process against the reciprocal, its subscribers or their attorney-in-fact, in all actions or suits arising out of or on account of policies, contacts or agreements of insurance in the reciprocal, may be served, which service shall be valid and binding upon all subscribers exchanging at any time reciprocal insurance contracts through the attorney-in-fact whose name is affixed hereto, or his duly appointed successor.

IN WITNESS WHEREOF, _____,
the duly authorized attorney-in-fact of the _____
acting for the subscribers of the reciprocal, has executed this power
of attorney in duplicate, by affixing hereto the name or designation
of the reciprocal and its own name as attorney-in-fact, this _____
day of _____, 19____.

(Attorney-in-Fact)

SCC/BOI:RE2

GOVERNOR

GOVERNOR'S COMMENTS ON PROPOSED REGULATIONS

(Required by § 9-6.12:9.1 of the Code of Virginia)

DEPARTMENT OF SOCIAL SERVICES (BOARD OF)

Title of Regulation: **VR 615-50-3. Minimum Standards for Local Agency Operated Volunteer Respite Care Programs.**

Office of the Governor

February 25, 1987

Mr. William L. Lukhard
Commissioner
Virginia Department of Social Services
8007 Discovery Drive
Richmond, Virginia 23229-8699

Dear Mr. Lukhard:

I have reviewed the regulations for Minimum Standards for Local Agency Operated Volunteer Respite Care Programs (VR 615-50-3) under the procedures of Executive Order Number Five (86).

The regulations appear carefully drawn to address the concern for the health and safety of children served by respite care programs operated by local departments of social services. There is a concern, however, regarding the provisions regulating the administration of medication to these children. In addition to permitting staff and volunteers to perform this function upon written authorization of a licensed physician, these regulations would also allow those persons to give prescription medication without the physician's authorization as long as the child's parent or guardian has consented in writing. In light of the health and safety concerns raised by this issue, I would urge the department to consult the Attorney General's office to determine whether there is clear statutory authority to permit this practice.

/s/ Gerald L. Baliles

STATE WATER CONTROL BOARD

Title of Regulation: **VR 680-41-01. Public Participation Guidelines for the Enactment of Regulations.**

Governor's Comment:

I do not approve the changes proposed by the State Water Control Board regarding the public participation guidelines. While it is very important for the agencies of the state government to streamline their processes for

developing regulations, these agencies must remain mindful of the overriding importance of public participation. The proposed changes represent a lessening of the requirements of the Board to involve the public as much as possible in the development of their regulations. I recommend that the Board reconsider these changes in light of the need to improve public participation.

/s/ Gerald L. Baliles
March 12, 1987

GENERAL NOTICES/ERRATA

Symbol Key †

† Indicates entries since last publication of the Virginia Register

VIRGINIA ALCOHOLIC BEVERAGE CONTROL BOARD

Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Alcoholic Beverage Control Board intends to consider promulgating, amending or repealing regulations pursuant to § 5.1 of the Public Participation Guidelines. The board intends to solicit petitions from any group or individual concerning the adoption, amendment or repeal of its regulations. The purpose is to receive information from industry, the general public and licensees of the board concerning adopting, amending or repealing the board's regulations.

Statutory Authority: §§ 4-11, 4-69, 4-69.2, 4-72.1, 4-98.14, 4-103 and 9-6.14:1 et seq., of the Code of Virginia.

Written comments may be submitted until April 30, 1987.

Other pertinent information: A public meeting will be held on June 25, 1987, at 10 a.m. in the 1st Floor Hearing Room, 2901 Hermitage Road, Richmond, Virginia, to receive comments from the public (see notice attached).

Contact: Robert N. Swinson, Acting Secretary to the Board, P.O. Box 27491, Richmond, Va. 23261, telephone (804) 257-0617

DEPARTMENT OF COMMERCE (BOARD OF)

Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Department of Commerce intends to consider amending regulations entitled: **State Board of Examiners for Nursing Home Administrators**. The board intends to consider proposals to revise regulations with special consideration applied to (i) implementation of a requirement for continuing education and (ii) establishment of a fee for approval of preceptors.

Statutory Authority: § 54-1.28 of the Code of Virginia.

Written comments may be submitted until May 1, 1987.

Contact: Gerald W. Morgan, Assistant Director, 3600 W. Broad St., Richmond, Va. 23230-4917, telephone (804) 257-8508 (toll-free 1-800-552-3016)

BOARD OF HOUSING AND COMMUNITY DEVELOPMENT

Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Board of Housing and Community Development intends to consider amending regulations entitled: **1984 Editions of the Uniform Statewide Building Code, Volumes I and II; Public Building Safety Regulations; Industrialized Building and Mobile Home Safety Regulations; LP Gas Regulations; and the Tradesmen Certification Standards**. The purpose of these amendments is to provide safety standards for the construction and maintenance of buildings and structures; provide safety standards for the handling and storage of LP Gas; and to provide standards for the certification of building related tradesmen.

Statutory Authority: Article 1 (§ 36.97 et seq.) of Chapter 6 of Title 36 of the Code of Virginia.

Written comments may be submitted until April 30, 1987.

Contact: Jack A. Proctor, CPCA Deputy Director, DBRS, Department of Housing and Community Development, 205 N. 4th St., Richmond, Va. 23219, telephone (804) 786-4751

Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Board of Housing and Community Development intends to consider promulgating regulations entitled: **(1) The Virginia Amusement Device Regulations and (2) The Virginia Statewide Fire Prevention Code**. The purpose of the proposed regulations is to (i) provide safety standards for the construction, maintenance, operation and inspection of amusement devices and to provide standards for the certification of amusement device inspectors; and (ii) provide safety standards to safeguard life and property from the hazards of fire or explosion.

Statutory Authority: (1) § 36-98.3 and (2) § 27-97 of the Code of Virginia.

Written comments may be submitted until April 30, 1987.

Contact: Jack A. Proctor, CPCA Deputy Director, DBRS, Department of Housing and Community Development, 205

N. 4th St., Richmond, Va. 23219, telephone (804) 786-4751

DEPARTMENT OF REHABILITATIVE SERVICES (BOARD OF)

Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Department of Rehabilitative Services intends to consider promulgating regulations entitled: **Provision of Independent Living Rehabilitation Services**. The purpose of the proposed regulations is to establish policies, procedures and requirements governing the provision of services to disabled persons.

Statutory Authority: § 51.01-5(7) of the Code of Virginia.

Written comments may be submitted until June 1, 1987, to David R. Ziskind, Deputy Commissioner, Department of Rehabilitative Services, P.O. Box 11045, Richmond, Virginia 23230.

Contact: James L. Hunter, Board Administrator, Department of Rehabilitative Services, P.O. Box 11045, Richmond, Va. 23230, telephone (804) 257-6446

DEPARTMENT OF TAXATION

Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Department of Taxation intends to consider amending regulations entitled: **VR 630-10-17. Brackets for Collection of the Tax (Retail Sales and Use Tax); VR 630-10-31. Dealer's Returns and Payment of the Tax (Retail Sales and Use Tax); VR 630-10-106. Transitional Provision (Retail Sales and Use Tax); VR 630-10-110. Vending Machine Sales (Retail Sales and Use Tax)**. The purpose of the proposed amendments is to formally adopt under the Administrative Process Act regulations implementing the January 1, 1987, sales and use tax increase. These regulations were adopted on an emergency basis on November 30, 1986.

Statutory Authority: § 58.1-203 of the Code of Virginia.

Written comments may be submitted until April 20, 1987.

Contact: Danny M. Payne, Director, Tax Policy Division, Department of Taxation, P.O. Box 6-L, Richmond, Va. 23282, telephone (804) 257-8010

COMMONWEALTH TRANSPORTATION BOARD

Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Commonwealth Transportation Board intends to consider amending three separate sets of regulations now in use into a single regulation entitled: **Hazardous Materials Transportation Regulations at Tunnel, Ferry and Bridge Facilities Throughout the Commonwealth of Virginia**. The purpose of the proposed amendments is to provide new rules and regulations including operating requirements for the transportation of hazardous materials through tunnels, on bridges and on ferries in form and content consistent with the Commonwealth's regulations and in conformance with the federal Department of Transportation regulations, as identified in the Code of Federal Regulations (Title 49).

Statutory Authority: §§ 33.1-12 and 33.1-13 of the Code of Virginia.

Written comments may be submitted until July 13, 1987.

Contact: John I. Butner, Engineering Programs Supervisor, Department of Transportation, Traffic Engineering Division, 1401 E. Broad St., Richmond, Va. 23219, telephone (804) 786-2878

GENERAL NOTICES

DEPARTMENT FOR THE AGING

General Notice to the Public

Notice of Intent to Apply for Federal Funds

The Virginia Department for the Aging hereby gives notice of its intent to apply for federal funds for aging services under Title III of the Older Americans Act (as amended), Title V of the Older Americans Act (as amended) and the Job Training Partnership Act. The application for funding will be filed on August 15, 1987, and will include intrastate funding formulas for the distribution of Title III funds, Title V funds, and Job Training Partnership Act funds to local area agencies on aging.

Written comments on this application will be received until 5 p.m., Friday, June 19, 1987. Copies of the proposed application will be available to the public after April 17, 1987. Written comments and requests for copies of the proposed application should be sent to:

General Notices/Errata

Mr. Robert Knox, Director
Division of Program Management
Virginia Department for the Aging
101 North 14th Street, 18th Floor
Richmond, Virginia 23219-2797
telephone (804) 225-2801

Public hearings to receive comments on the proposed application will also be held on the following dates:

June 8, 1987

Wytheville Community College
Wytheville, Virginia

June 9, 1987

Germanna Community College
Locust Grove, Virginia

June 10, 1987

Richard Bland Community College
Petersburg, Virginia

Public hearings are open to all interested individuals and will begin at 10 a.m. and conclude no later than 1 p.m.

VIRGINIA ALCOHOLIC BEVERAGE CONTROL BOARD

Notice to the Public

A. Pursuant to the Virginia Alcoholic Beverage Control Board's "Public Participation Guidelines for Adoption or Amendment of Regulations" (VR 125-01-1, Part V of the Regulations of the Virginia Alcoholic Beverage Control Board), the board will conduct a public meeting on June 25, 1987, at 10 a.m. in the Hearing Room, 1st Floor, A.B.C. Board, Main Offices, 2901 Hermitage Road, Richmond, Virginia, to receive comments and suggestions concerning the adoption, amendment or repeal of board regulations. Any group or individual may file with the board a written petition for the adoption, amendment or repeal of any regulation. Any such petition shall contain the following information if available.

1. Name of petitioner.
2. Petitioner's mailing address and telephone number.
3. Recommended adoption, amendment or repeal of specific regulation(s).
4. Why is change needed? What problem is it meant to address?
5. What is the anticipated effect of not making the change?
6. Estimated costs or saving, or both to regulated entities, the public, or others incurred by this change as compared to current regulations.

7. Who is affected by recommended change? How affected?

8. Supporting documents.

The board may also consider any other request for regulatory change at its discretion. All petitions or requests for regulatory change should be submitted to the board no later than April 30, 1987.

B. The board will also be appointing an Ad Hoc Committee consisting of persons on its general mailing list who will be affected by or interested in the adoption, amendment or repeal of board regulations. This committee will study requests for regulatory changes, make recommendations, and suggest actual draft language for a regulation, if it concludes a regulation is necessary. Anyone interested in serving on such committee should notify the undersigned by April 30, 1987.

C. Applicable laws or regulations (authority to adopt regulations): §§ 4-11, 4-69, 4-69.2, 4-72.1, 4-98.14, 4-103 and 9-6.14:1 et seq., Virginia Code; VR 125-01-1, Part V, board regulations.

D. Entities affected: (1) All licensees (manufacturers, wholesalers, importers, retailers) and (2) the general public.

E. For further information contact the undersigned at the above address or by phone (804) 257-0617.

Robert N. Swinson
Acting Secretary

1987 STATE GOVERNMENT SAVINGS BOND CAMPAIGN

April 16, 1987 through May 1, 1987

Contact: Representatives of the three branches of state government.

Executive:

Administration - Charles d'Evegnée (804) 786-3831
Economic Development - Mary Nicely (804) 786-1536
Education - Dr. Ann Williams (804) 225-2117
Finance - Carol Milton - (804) 225-2360
Human Resources - Bill Pega (804) 264-3106
Natural Resources - Lee Bess (804) 786-2121
Transportation and Public Safety - David Wheeler (804) 257-0554

Judicial:

Bill Capers - (804) 786-1258

Legislative:

Glen Tittermary - (804) 786-1258

Other:

Bruce Meador, State Government Savings Bond
Chairman - (804) 786-8013
Carol Duke, U.S. Treasury Savings Bond Manager -
(804) 771-2271

MARCH OF DIMES 1987 WALKAMERICA DAY

April 26, 1987 - 9 a.m.

Department of Motor Vehicles, 2201 West Broad Street,
Richmond, Virginia

Contact: Bruce Meador, State Government Community
Services Liaison, Department of Planning and Budget, P.O.
Box 1422, Richmond, Va. 23211, telephone (804) 786-8013

NOTICES TO STATE AGENCIES

RE: Forms for filing material on dates for publication in
the Virginia Register of Regulations.

All agencies are required to use the appropriate forms
when furnishing material and dates for publication in the
Virginia Register of Regulations. The forms are supplied
by the office of the Registrar of Regulations. If you do not
have any forms or you need additional forms, please
contact: Ann M. Brown, Deputy Registrar of Regulations,
Virginia Code Commission, P.O. Box 3-AG, Richmond, Va.
23208, telephone (804) 786-3591

FORMS:

PROPOSED (Transmittal Sheet) - RR01
FINAL (Transmittal Sheet) - RR02
NOTICE OF MEETING - RR03
NOTICE OF INTENDED REGULATORY ACTION -
RR04
NOTICE OF COMMENT PERIOD - RR05
AGENCY RESPONSE TO LEGISLATIVE
OR GUBERNATORIAL OBJECTIONS - RR06

CALENDAR OF EVENTS

Symbols Key

- † Indicates entries since last publication of the Virginia Register
- ☒ Location accessible to handicapped
- ☎ Telecommunications Device for Deaf (TDD)/Voice Designation

NOTICE

23219-2797, telephone (804) 225-3140

Only those meetings which are filed with the Registrar of Regulations by the filing deadline noted at the beginning of this publication are listed. Since some meetings are called on short notice, please be aware that this listing of meetings may be incomplete. Also, all meetings are subject to cancellation and the Virginia Register deadline may preclude a notice of such cancellation.

For additional information on open meetings and public hearings held by the Standing Committees of the Legislature during the interim, please call Legislative Information at (804) 786-6530.

..... VIRGINIA CODE COMMISSION

EXECUTIVE

STATE BOARD OF ACCOUNTANCY

- † April 20, 1987 - 10 a.m. - Open Meeting
 - † April 21, 1987 - 8 a.m. - Open Meeting
 - † April 22, 1987 - 8 a.m. - Open Meeting
- Department of Commerce, Travelers Building, 3500 West Broad Street, Richmond, Virginia. ☒

Meetings to (i) review applications for licensure and certification; (ii) review disciplinary cases; (iii) consider correspondence items; and (iv) review regulations and new business.

Contact: Roberta L. Banning, 3600 W. Broad St., Richmond, Va. 23220, telephone (804) 257-8505

GOVERNOR'S ADVISORY BOARD ON AGING

- April 22, 1987 - 1 p.m. - Open Meeting
 - April 23, 1987 - 9 a.m. - Open Meeting
- Holiday Inn, Euclid Avenue, Bristol, Virginia

A quarterly meeting to discuss issues of concern to older Virginians. The theme of this meeting will be rural elderly.

Contact: William Peterson, Virginia Department for the Aging, 101 N. 14th St., 18th Floor, Richmond, Va.

VIRGINIA AGRICULTURAL COUNCIL

† May 11, 1987 - 9 a.m. - Open Meeting
Holiday Inn-Airport, 5203 Williamsburg Road, Sandston, Virginia

A meeting called by the chairman to (i) review progress reports on approved funded research projects; (ii) hear any new project proposals which are properly supported by the Board of Directors of a commodity group; and (iii) any other business that may come before the members of the council.

Contact: Henry H. Budd, Assistant Secretary, Department of Agriculture and Consumer Services, Washington Bldg., Room 203, 1100 Bank St., Richmond, Va. 23219, telephone (804) 786-2373

DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES (BOARD OF)

September 28, 1987 - 2 p.m. - Public Hearing
Washington Building, Board Room, 2nd Floor, 1100 Bank Street, Richmond, Virginia. ☒

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Department of Agriculture and Consumer Services intends to adopt regulations entitled: **VR 115-02-15. Rules and Regulations for the Registration of Poultry Dealers.** The proposed regulations would require that poultry dealers doing business in Virginia keep records of their transactions as a means of tracing poultry disease to its source. They also would require that poultry dealers maintain a regimen of sanitation in their dealings.

Statutory Authority: §§ 3.1-726, 3.1-735 and 3.1-736 of the Code of Virginia.

Written comments may be submitted until June 30, 1987.

Contact: A. J. Roth, D.V.M., Chief, Bureau of Veterinary Services, Division of Animal Health, Virginia Department of Agriculture and Consumer Services, Suite 600, 1100 Bank St., Richmond, Va. 23219, telephone (804) 786-2483

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Calendar of Events

September 28, 1987 - 3 p.m. -- Public Hearing
Washington Building, Board Room, 2nd Floor, 1100 Bank Street, Richmond, Virginia. ☐

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Department of Agriculture and Consumer Services intends to amend regulations entitled: **VR 115-02-12. Health Requirements Governing the Admission of Livestock, Poultry, Companion Animals and Other Animals or Birds Into Virginia.** The proposed amendment to the above-referenced regulation would set health requirements for the admission of South American camelids of the genus *Lama* into Virginia.

Statutory Authority: § 3.1-726 of the Code of Virginia.

Written comments may be submitted until June 29, 1987.

Contact: A. J. Roth, D.V.M., Chief, Bureau of Veterinary Services, Division of Animal Health, Virginia Department of Agriculture and Consumer Services, Suite 600, 1100 Bank St., Richmond, Va. 23219, telephone (804) 786-2483

DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES (COMMISSIONER OF)

April 17, 1987 - Written comments may be submitted until this date.

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Department of Agriculture and Consumer Services intends to amend regulations entitled: **VR 115-03-05. Virginia Grade Standards for Breeder Swine.** These regulations provide official descriptions of requirements to be used by VDACS in determining the quality grade of breeder swine whenever official grading services are requested. The purpose of the proposed revision is to clarify wording and update the Virginia standards to more closely align them with recent changes in the related USDA Grade Standards for Slaughter Swine. The revisions are the result of conformity with the Governor's Regulatory Review Program.

Statutory Authority: § 3.1-338 of the Code of Virginia.

Written comments may be submitted until April 17, 1987, to S. Mason Carbaugh, Commissioner, Virginia Department of Agriculture and Consumer Services, P.O. Box 1163, Richmond, Virginia 23219.

Contact: H. Frank Graves, Chief, Bureau of Livestock Marketing Services, Division of Markets, Virginia Department of Agriculture and Consumer Services, Room 711, 1100 Bank St., Richmond, Va. 23219, telephone (804) 786-3935

STATE AIR POLLUTION CONTROL BOARD

April 3, 1987 - RESCHEDULED TO
April 21, 1987 - 9 a.m. -- Open Meeting
General Assembly Building, Senate Room A, Capitol Square, Richmond, Virginia. ☐

A general meeting of the board.

Contact: Dick Stone, State Air Pollution Control Board, P.O. Box 10089, Richmond, Va. 23240, telephone (804) 786-5478

VIRGINIA AUCTIONEERS BOARD

April 16, 1987 - 1 p.m. -- Open Meeting
Department of Social Services, Pembroke Office Park, Building IV, Suite 300, Conference Room A, Virginia Beach, Virginia

The board will meet to conduct a formal administrative hearing: Virginia Auctioneers Board v. Joseph L. Exum.

Contact: Sylvia W. Bryant, Hearings Coordinator, Department of Commerce, 3600 W. Broad St., Richmond, Va. 23230, telephone (804) 257-8524

VIRGINIA BOARD OF EXAMINERS FOR AUDIOLOGY AND SPEECH PATHOLOGY

April 22, 1987 - 11 a.m. -- Open Meeting
Department of Commerce, Travelers Building, Conference Room 2, 3600 West Broad Street, Richmond, Virginia. ☐

An open board meeting to consider (i) adoption of proposed regulations; (ii) discussion of revenue and expenditures; (iii) election of officers; and (iv) signing of certificates.

Contact: Gerald W. Morgan, Assistant Director, Department of Commerce, 3600 W. Broad St., Richmond, Va. 23230-4917, telephone (804) 257-8508

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April 22, 1987 - 10 a.m. -- Public Hearing
Department of Commerce, Travelers Building, 3600 West Broad Street, 5th Floor, Conference Room 1, Richmond, Virginia. ☐

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Virginia Board of Examiners for Audiology and Speech Pathology intends to amend regulations entitled: **VR 115-01-2. State Board of Examiners for Audiology and Speech Pathology.** These regulations govern the licensure of

Calendar of Events

audiologist and speech pathologists in the Commonwealth of Virginia. The proposed amendment to these regulations will reinstate the issuance of temporary permits.

Statutory Authority: § 54-1.28(5) of the Code of Virginia.

Written comments may be submitted until March 31, 1987.

Contact: Geralde W. Morgan, Assistant Director, Department of Commerce, 3600 W. Broad St., Richmond, Va. 23230, telephone (804) 257-8508

STATE BUILDING CODE TECHNICAL REVIEW BOARD

† April 17, 1987 - 10 a.m. - Open Meeting
Fourth Street Office Building, 2nd Floor, Conference Room, 205 North 4th Street, Richmond, Virginia. ☒

A meeting to (i) consider requests for interpretation of the Virginia Uniform Statewide Building Code; (ii) consider appeals from the rulings of local appeal boards regarding application of the Virginia Uniform Statewide Building Code; and (iii) approve minutes of the previous meeting.

Contact: Jack A. Proctor, 205 N. 4th St., Richmond, Va. 23219, telephone (804) 786-4752

VIRGINIA CATTLE INDUSTRY BOARD

† May 5, 1987 - 2 p.m. - Open Meeting
† May 6, 1987 - 12 Noon - Open Meeting
Virginia Cattlemen's Association Office, U.S. Route 220, Daleville, Virginia. ☒

A meeting to consider the 1987-1988 budget and funds.

Contact: Reggie Reynolds, Secretary, P.O. Box 176, Daleville, Va. 24083-0176, telephone (703) 992-1992

VIRGINIA CAVE BOARD

May 16, 1987 - 1 p.m. - Open Meeting
Longwood College, Board Room, 163 Ruffner Hall, Farmville, Virginia. ☒

A regular business session of 11-member board to consider problems relating to the conservation and preservation of caves. All board meetings are open to the interested public.

Contact: Evelyn Bradshaw, Chairman, 1732 Byron St., Alexandria, Va. 22303, telephone (703) 765-0069 or (202) 483-3721

INTERDEPARTMENTAL COUNCIL ON RATE-SETTING FOR CHILDREN'S FACILITIES

† April 28, 1987 - 10 a.m. - Open Meeting
St. Joseph's Villa, Conference Room, 8000 Washington Highway, Richmond, Virginia. ☒

The council will review and consider a response to the surveys on the rules and regulations pursuant to § 2.1-703 of the Code of Virginia and review its budget and plans for the year 1987-1988.

Contact: Mrs. Nancy Bockes, P.O. Box 434, Independence, Va. 24349, telephone (703) 773-2452

DEPARTMENT OF COMMERCE

April 15, 1987 - 10 a.m. - Open Meeting
Department of Social Services, Pembroke Office Park, Building IV, Suite 300, Conference Room A, Virginia Beach, Virginia.

The board will meet to conduct a formal administrative hearing: Department of Commerce v. Harold Mullins.

Contact: Sylvia W. Bryant, Hearings Coordinator, Department of Commerce, 3600 W. Broad St., Richmond, Va. 23230, telephone (804) 257-8524

STATE BOARD FOR COMMUNITY COLLEGES

May 20, 1987 - 3 p.m. - Open Meeting
Location to be announced

The regularly scheduled meeting of the State Board Committees (Audit, Facilities, Personnel, Curriculum and Program, Budget and Finance) will meet. (No agenda is available.)

May 21, 1987 - 9 a.m. - Open Meeting
Location to be announced.

A general board meeting. No agenda is available.

Contact: Joy Graham, James Monroe Bldg., 15th Floor, 101 N. 14th St., Richmond, Va. 23219, telephone (804) 225-2126

DEPARTMENT OF CONSERVATION AND HISTORIC RESOURCES

Falls of the James Advisory Committee

April 24, 1987 - 12 Noon - Open Meeting

Calendar of Events

Richmond City Hall, 3rd Floor Conference Room, 9th and Broad Streets, Richmond, Virginia. ☒

A regular meeting to discuss general business and issues affecting the portion of the James River that runs through the City of Richmond.

Contact: Richard G. Gibbons, Virginia Division of Parks and Recreation, Washington Bldg., Room 1201, Richmond, Va. 23219, telephone (804) 786-4132

Virginia Historic Landmarks Board and The State Review Board of the Division of Historic Landmarks

April 21, 1987 - 10:30 a.m. – Open Meeting
Rousse City Hall, Council Chambers, Winchester, Virginia

A joint meeting of the State Review Board and Virginia Historic Landmarks Board to consider the addition of the following properties to the Virginia Landmarks Register and their nomination to the National Register of Historic Places:

Culpeper Historic District, Culpeper County;
Hexagon House, Winchester;
Marshall Canal-Tunnel Historic District, Botetourt County;
Monte Vista, Frederick County;
Rockbridge Alum Springs, Rockbridge County;
Tankersley Tavern, Rockbridge County.

Contact: Margaret T. Peters, Public Information Officer, 221 Governor St., Richmond, Va. 23219, telephone (804) 786-3143

STATE BOARD OF CONTRACTORS

April 22, 1987 - 10 a.m. – Open Meeting
Prince William Circuit Court, 9311 Lee Avenue, Manassas, Virginia

The board will meet to conduct a formal administrative hearing: State Board of Contractors v. Donald W. Jolly.

Contact: Sylvia W. Bryant, Hearings Coordinator, Department of Commerce, 3600 W. Broad St., Richmond, Va. 23230, telephone (804) 257-8524

STATE BOARD OF CORRECTIONS

April 15, 1987 - 10 a.m. – Open Meeting
May 13, 1987 - 10 a.m. – Open Meeting
June 17, 1987 - 10 a.m. – Open Meeting
Department of Corrections, 4615 West Broad Street, Richmond, Virginia. ☒

A regular monthly meeting to consider such matters as may be presented.

Contact: Vivian Toler, Secretary to the Board, 4615 W. Broad St., P.O. Box 26963, Richmond, Va. 23261, telephone (804) 257-6274

VIRGINIA BOARD OF DENTISTRY

May 8, 1987 - 9 a.m. – Open Meeting
Martha Washington Hotel, Abingdon, Virginia

A meeting to consider comments and adoption of proposed board regulations.

Contact: Nancy T. Feldman, Executive Director, 1601 Rolling Hills Dr., Richmond, Va. 23229, telephone (804) 662-9906

* * * * *

April 10, 1986 - Public hearing was held on this date.

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Virginia Board of Dentistry intends to propose new regulations and repeal existing regulations entitled: **VR 255-01-1. Virginia Board of Dentistry Regulations.**

Statutory Authority: § 54-163 of the Code of Virginia.

Written comments may be submitted until April 17, 1987.

Other pertinent information: The board may conduct another public hearing on these proposed regulations if the comments are substantive and present new issues.

Contact: Nancy T. Feldman, Executive Director, Virginia Board of Dentistry, 1601 Rolling Hills Dr., Richmond, Va. 23229, telephone (804) 662-9906

STATE BOARD OF EDUCATION

April 22, 1987 - 9 a.m. – Open Meeting
April 23, 1987 - 9 a.m. – Open Meeting
April 24, 1987 - 9 a.m. – Open Meeting
James Monroe Building, 1st Floor, Conference Rooms C and D, 101 North 14th Street, Richmond, Virginia. ☒

The State Board of Education will hold its regular monthly meeting. Business will be conducted according to items listed on the agenda. The agenda is available upon request. The public is reminded that the Board of Vocational Education may convene, if required.

Contact: Margaret N. Roberts, James Monroe Bldg., 25th Floor, 101 N. 14th St., Richmond, Va. 23219, telephone

Calendar of Events

(804) 225-2540

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**April 17, 1987 - 3 p.m. – RESCHEDULED TO
April 22, 1987 - 4 p.m. – Public Hearing**
James Monroe Building, 101 North 14th Street, Conference Room E, Richmond, Virginia. ☒

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the State Board of Education intends to repeal existing vocational education regulations and adopt new regulations entitled: **VR 270-01-0011. Vocational Education Regulations.** These regulations govern the operation and administration of secondary vocational education programs in the public schools of Virginia.

Statutory Authority: § 22.1-16 of the Code of Virginia.

Written comments may be submitted until April 17, 1987.

Contact: Dewey T. Oakley, Jr., Administrative Director, Vocational Education, Virginia Department of Education, P.O. Box 6-Q, Richmond, Va. 23216-2060, telephone (804) 225-2073

* * * * *

† **June 11, 1987 - 7 p.m. – Public Hearing**
Hermitage High School, 8301 Hungary Spring Road, Richmond, Virginia

† **June 11, 1987 - 7 p.m. – Public Hearing**
Lake Taylor High School, 1384 Kempsville Road, Norfolk, Virginia

† **June 11, 1987 - 7 p.m. – Public Hearing**
George Wythe High School, 1500 West Pine Street, Richmond, Virginia

† **June 11, 1987 - 7 p.m. – Public Hearing**
Warrenton Junior High School, 244 Waterloo Street, Warrenton, Virginia

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the State Board of Education intends to adopt regulations entitled: **VR 270-01-0012. Standards for Accrediting Schools in Virginia.** These regulations cover the accreditation of elementary and secondary education programs in Virginia.

STATEMENT

Subject: Standards for Accrediting Public Schools in Virginia

Substance: The substance of the proposed regulations consists of criteria for measuring and evaluating compliance with educational standards determined

necessary for quality in Virginia's public schools.

Issues: The overriding issue is to define those criteria which each public school must meet to determine compliance with standards set by the Board of Education. Virginia has 139 separate school divisions containing approximately 1,750 public schools. It is imperative that uniform standards as mandated by § 22.1-19 of the Code of Virginia and the Standards of Quality be set for all schools.

Basis: §§ 22.1-19 and 22.1-253.10 of the Code of Virginia.

Purpose: The standards for accreditation of schools in Virginia are designed to provide a foundation for quality education. Accreditation standards provide guidance and direction to assist schools in their continuing efforts to offer educational programs to meet the needs, interests, and aspirations of all students. The accreditation standards are designed to achieve the following objectives:

1. Seek to ensure that schools provide educational programs of high quality for all students.
2. Encourage continuous appraisal and improvement of the school program.
3. Foster public confidence.
4. Assure recognition by other institutions of learning.
5. Assist in identifying commendable schools.*
6. Assist in identifying educationally deficient schools.*

*To become effective for the 1990-91 school year.

Statutory Authority: § 22.1-16 of the Code of Virginia.

Written comments may be submitted until June 11, 1987.

Contact: Dr. Robert B. Jewell, Associate Director, Department of Education, Accreditation Service, P.O. Box 6Q, Richmond, Va. 23216, telephone (804) 225-2105

STATE BOARD OF ELECTIONS

May 20, 1987 - 10 a.m. – Open Meeting
Ninth Street Office Building, Room 101, 9th and Grace Streets, Richmond, Virginia. ☒

A meeting to review (i) agency budget and (ii) voting equipment submissions for approval.

June 23, 1987 - 10 a.m. – Open Meeting
Ninth Street Office Building, Room 101, 9th and Grace Streets, Richmond, Virginia. ☒

Canvass June 9, 1987, Primary Election and hear oral

presentations from voting machine vendors.

Contact: M. Debra Mitterer, Ninth Street Office Bldg., Room 101, Richmond, Va. 23219, telephone (804) 786-6551

VIRGINIA EMPLOYMENT COMMISSION

April 23, 1987 - 10 a.m. - Public Hearing
Virginia Employment Commission Administrative Office
Courtroom, 703 East Main Street, Richmond, Virginia

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Virginia Employment Commission intends to repeal regulations entitled: **Rules and Regulations Affecting Unemployment Compensation XV - Governmental Subrogation.** The regulation proposed for repeal concerns the rights of governmental entities to recoup overpayments of unemployment compensation to claimants who formerly worked for them.

Statutory Authority: § 60.2.111 of the Code of Virginia.

Written comments may be submitted until April 18, 1987.

Other pertinent information: Text of existing and proposed regulations available upon request.

Contact: Joseph L. Hayes, Employment Commission Appeals Administrative Chief, Virginia Employment Commission, P.O. Box 1358, Richmond, Va. 23211, telephone (804) 786-7554

April 23, 1987 - 10 a.m. - Public Hearing
Virginia Employment Commission Administrative Office
Courtroom, 703 East Main Street, Richmond, Virginia

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Virginia Employment Commission intends to repeal regulations entitled: **Rules and Regulations Affecting Unemployment Compensation VII - Notices.** The regulation proposed for repeal concerns the posting of notices concerning unemployment compensation by employers.

Statutory Authority: § 60.2-111 of the Code of Virginia.

Written comments may be submitted until April 18, 1987.

Other pertinent information: Text of existing and proposed regulations available upon request.

Contact: Joseph L. Hayes, Employment Commission Appeals Administrative Chief, Virginia Employment Commission, P.O. Box 1358, Richmond, Va. 23211, telephone (804) 786-7554

April 23, 1987 - 10 a.m. - Public Hearing
Virginia Employment Commission Administrative Office
Courtroom, 703 East Main Street, Richmond, Virginia

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Virginia Employment Commission intends to amend regulations entitled: **VR 300-01-1. Definitions of General Provisions (Virginia Employment Commission Regulations and General Rules).** The proposed regulation revises an existing one defining terms and providing for the development and review of regulations.

Statutory Authority: § 60.2-111 of the Code of Virginia.

Written comments may be submitted until April 18, 1987.

Other pertinent information: Text of existing and proposed regulations available upon request.

Contact: Joseph L. Hayes, Employment Commission Appeals Administrative Chief, Virginia Employment Commission, P.O. Box 1358, Richmond, Va. 23211, telephone (804) 786-7554

April 23, 1987 - 10 a.m. - Public Hearing
Virginia Employment Commission Administrative Office
Courtroom, 703 East Main Street, Richmond, Virginia

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Virginia Employment Commission intends to amend regulations entitled: **VR 300-01-2. Unemployment Taxes (Virginia Employment Commission Regulations and General Rules).** The proposed regulation combines and revises six existing regulations relating to the collection of unemployment taxes, maintenance of records, submission of reports, combination of employer accounts, and coverage of work performed in more than one state.

Statutory Authority: § 60.2-111 of the Code of Virginia.

Written comments may be submitted until April 18, 1987.

Other pertinent information: Text to existing and proposed regulations available upon request.

Contact: Joseph L. Hayes, Employment Commission Appeals Administrative Chief, Virginia Employment Commission, P.O. Box 1358, Richmond, Va. 23211, telephone (804) 786-7554

April 23, 1987 - 10 a.m. - Public Hearing
Virginia Employment Commission Administrative Office
Courtroom, 703 East Main Street, Richmond, Virginia

Calendar of Events

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Virginia Employment Commission intends to amend regulations entitled: **VR 300-01-3. Benefits (Virginia Employment Commission Regulations and General Rules)**. The proposed regulation combines and revises five existing regulations concerning total and partial unemployment compensation benefits, interstate claims, combined wage claims, and miscellaneous benefit provisions.

Statutory Authority: § 60.2-111 of the Code of Virginia.

Written comments may be submitted until April 18, 1987.

Other pertinent information: Text of existing and proposed regulations available upon request.

Contact: Joseph L. Hayes, Employment Commission Appeals Administrative Chief, Virginia Employment Commission, P.O. Box 1358, Richmond, Va. 23211, telephone (804) 786-7554

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April 23, 1987 - 10 a.m. – Public Hearing
Virginia Employment Commission Administrative Office Courtroom, 703 East Main Street, Richmond, Virginia

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Virginia Employment Commission intends to amend regulations entitled: **VR 300-01-4. Adjudication (Virginia Employment Commission Regulations and General Rules)**. The proposed regulation revises an existing regulation concerning appeals from determinations on claims for unemployment compensation, including the conduct of administrative hearings.

Statutory Authority: § 60.2-111 of the Code of Virginia.

Written comments may be submitted until April 18, 1987.

Other pertinent information: Text of existing and proposed regulations available upon request.

Contact: Joseph L. Hayes, Employment Commission Appeals Administrative Chief, Virginia Employment Commission, P.O. Box 1358, Richmond, Va. 23211, telephone (804) 786-7554

VIRGINIA FIRE SERVICES BOARD

† **April 23, 1987 - 7:30 p.m. – Public Hearing**
Culpeper Volunteer Fire Department, Davis Street, Culpeper, Virginia

A public hearing to discuss fire training, fire policies and an open discussion with the public.

† **April 24, 1987 - 9 a.m. – Open Meeting**
Holiday Inn, Culpeper, Virginia

A regular business meeting to discuss fire training and fire policies. The meeting is open to the public for their input.

Contact: Anne J. Bales, Department of Fire Programs, James Monroe Building, 17th Floor, 101 N. 14th St., Richmond, Va. 23219, telephone (804) 225-2681

VIRGINIA BOARD OF FUNERAL DIRECTORS AND EMBALMERS

† **April 22, 1987 - 9 a.m. – Open Meeting**
Department of Health Regulatory Boards, Koger Center, Surry Building, Conference Room 1, 1601 Rolling Hills Drive, Richmond, Virginia. ☒

Informal Fact-Finding Conferences and general board meeting to certify candidates. The promulgation of regulations may also be discussed.

† **April 23, 1987 - 9 a.m. – Open Meeting**
Department of Health Regulatory Boards, Koger Center, Surry Building, Conference Room 1, 1601 Rolling Hills Drive, Richmond, Virginia. ☒

A general board meeting and review of promulgation of regulations and certification of candidates for examination(s).

† **April 25, 1987 - 9 a.m. – Open Meeting**
Embassy Suites Hotel, Commerce Center, 2925 Emerywood Parkway, Richmond, Virginia

The board committee will review examination questions.

Contact: Mark L. Forberg, Executive Director, 1601 Rolling Hills Dr., Richmond, Va. 23229, (804) 662-9907

COMMISSION OF GAME AND INLAND FISHERIES

† **April 24, 1987 - 11 a.m. – Open Meeting**
Game Commission Offices, 4010 West Broad Street, Richmond, Virginia. ☒

A joint meeting of the License Agents Committee and the Finance Committee concerning an overall study of the license fee structure of the commission and relevant matters thereto.

Contact: Mrs. Norma G. Adams, Administration, 4010 W. Broad St., Richmond, Va. 23230, telephone (804) 257-1000

DEPARTMENT OF HEALTH

telephone (804) 786-4891

June 4, 1987 - 9 a.m. - Open Meeting
Ramada Inn, Duffield, Virginia. ☐

The State Board of Health will have a working session from 9 a.m. to noon. The regular business meeting of the board will begin at 1 p.m. The agenda will be available two weeks in advance of the meeting.

Contact: Sally Camp, James Madison Bldg., Room 400, 109 Governor St., Richmond, Va. 23219, telephone (804) 786-3561

Commission on Medical Care Facilities

April 13, 1987 - 10 a.m. - Open Meeting
James Monroe Building, Conference Room B, 101 North 14th Street, Richmond, Virginia. ☐

By Executive Order Thirty-One (86) Governor Baliles created an Advisory Commission with two responsibilities: (i) to examine the effectiveness of the Certificate of Public Need Program in controlling medical care costs while making good quality, accessible health care available to all Virginians; and (ii) if this examination demonstrates that the Commonwealth's existing health planning process no longer effectively meets these objectives, the commission shall assess alternatives and recommend revisions to the existing Certificate of Public Need Process.

Contact: E. George Stone, State Health Department, James Madison Bldg., Room 1010, 109 Governor St., Richmond, Va. 23219, telephone (804) 786-6970

STATEWIDE HEALTH COORDINATING COUNCIL

May 15, 1987 - 1 p.m. - Public Hearing
James Madison Building, Main Floor, Conference Room, 109 Governor Street, Richmond, Virginia. ☐

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Virginia Statewide Health Coordinating Council intends to amend regulations entitled: **VR 360-01-05. Virginia State Health Plan 1980-94.** These regulations are standards for evaluating certificate of public applications to establish or expand extracorporeal shock wave lithotripsy services.

Statutory Authority: § 32.1-120 of the Code of Virginia.

Written comments may be submitted until May 15, 1987.

Contact: John P. English, Health Planning Consultant, 1010 Madison Bldg., 109 Governor St., Richmond, Va. 23219,

COUNCIL ON HEALTH REGULATORY BOARDS

† April 21, 1987 - 10 a.m. - Open Meeting
Department of Health Regulatory Boards, Koger Center, Surry Building, 1601 Rolling Hills Drive, Richmond, Virginia. ☐

A regular quarterly meeting of the council. Reports of all standing and special committees will be received and the 1988-90 biennial budget. Requests of the Department of Health Regulatory Boards will be reviewed.

† May 4, 1987 - 10 a.m. - Open Meeting
General Assembly Building, House Room C, Capitol Square, Richmond, Virginia. ☐

The Council on Health Regulatory Boards will hear public comment on the need, if any, for the regulation of hypnosis and hypnotherapy as practiced by licensed health professionals and others who teach, offer, or use hypnosis. Written comments will be received through May 29, 1987.

Contact: Richard D. Morrison, Executive Director, Council on Health Regulatory Boards, 1601 Rolling Hills Dr., Richmond, Va. 23229-5005, telephone (804) 662-9918 or 662-9904

VIRGINIA HEALTH SERVICES COST REVIEW COUNCIL

† April 22, 1987 - 9:30 a.m. - Open Meeting
† May 27, 1987 - 9:30 a.m. - Open Meeting
Johnston-Willis Hospital, 1401 Johnston-Willis Road, Richmond, Virginia. ☐

A monthly business meeting of the council for the purpose of addressing financial, policy or technical matters which may have arisen since the last meeting.

Contact: Ann Y. McGee, Director, 805 E. Broad St., 9th Floor, Richmond, Va. 23219, telephone (804) 786-6371

BOARD OF HOUSING AND COMMUNITY DEVELOPMENT

Amusement Device Technical Advisory Committee

May 7, 1987 - 8:30 a.m. - Open Meeting
Fourth Street Office Building, 205 North 4th Street, Richmond, Virginia. ☐

Calendar of Events

A meeting to develop recommended regulations pertaining to the construction, maintenance, operation and inspection of amusement devices for consideration by the Board of Housing and Community Development.

Contact: Jack A. Proctor, CPCA, Deputy Director, Division of Building Regulatory Services, Department of Housing and Community Development, 205 N. 4th St., Richmond, Va. 23219-1747, telephone (804) 786-4751

Division of Building Regulatory Services

April 13, 1987 - 10 a.m. – Open Meeting
Prince William County Board of Supervisors' Chambers, 1 County Complex Court, Prince William, Virginia. ☒

April 14, 1987 - 10 a.m. – Open Meeting
Buena Vista Circuit Court Room, City Hall, 2039 Sycamore Street, Buena Vista, Virginia. ☒

April 15, 1987 - 10 a.m. – Open Meeting
Smyth County Court House, Board of Supervisors' Room, Main Street, Marion, Virginia. ☒

April 16, 1987 - 10 a.m. – Open Meeting
Human Services Building, Auditorium, 5249 Olde Town Road (Route 658), James City County, Virginia. ☒

A meeting to solicit public input for amendments to the 1984 Editions of the Uniform Statewide Building Code, Volumes I and II; Public Building Safety Regulations; Industrialized Building and Mobile Home Safety Regulations; LP Gas Regulations; and the Tradesmen Certification Standards; and for promulgating the Amusement Device Regulations and the Statewide Fire Prevention Code.

Contact: Jack A. Proctor, CPCA, Deputy Director, Division of Building Regulatory Services, Department of Housing and Community Development, 205 N. 4th St., Richmond, Va. 23219-1747, telephone (804) 786-4751

VIRGINIA HOUSING DEVELOPMENT AUTHORITY

† **April 20, 1987** - Written comments may be submitted until this date.

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Virginia Housing Development Authority intends to amend regulations entitled: **VR 400-01-0001. Rules and Regulations.** The amendments to the Rules and Regulations implement certain legislative amendments to the Virginia Housing Development Authority Act enacted by the 1987 General Assembly.

STATEMENT

Purpose: To amend the Rules and Regulations of the authority in accordance with certain statutory amendments to the Virginia Housing Development Authority enacted by the 1987 General Assembly.

Basis: § 36-55.30:3 of the Code of Virginia.

Subject, substance, and issues. Because of the impact of the Tax Reform Act of 1986 of low-income housing, the 1987 General Assembly enacted certain amendments to the Virginia Housing Development Authority Act. The provisions in § 36-55.33:1 of the Code of Virginia relating to the maximum principal amount of mortgage loans were amended in order to permit negative amortization loans with original principal amounts up to the maximum permitted amount. The provision of § 36-55.33:1 of the Code of Virginia requiring limitations on annual distributions to limited profit housing sponsors, based on a percentage of such sponsors' equity, were modified to make such limitations discretionary rather than mandatory and to authorize the authority to determine equity as the difference between the fair market value (rather than total development cost) of the development and the final principal amount of the mortgage loan. Section 36-55.34:1 of the Code of Virginia was amended to provide that the powers to supervise housing sponsors would be subject to such limitations and conditions as the authority may agree to. These amendments to the Virginia Housing Development Authority Act were intended to make housing developments financed by the authority financially feasible under the Tax Reform Act of 1986. The proposed amendments to the Rules and Regulations implement these changes enacted by the General Assembly. The term "original principal" is inserted in §§ 2.1 and 3.1 of the rules and regulations so that any negative amortization would be excluded from calculation of the maximum permissible principal amount of a mortgage loan. The provisions of subsection B of § 2.4 of the rules and regulations are amended to reflect the statutory amendments permitting the limitations on dividend distributions to be discretionary and authorizing the use of fair market value to determine the housing sponsor's equity. Also, because such limitations on dividend distributions will be discretionary, the term "limited profit sponsor" is changed to "for-profit sponsor" throughout the rules and regulations. Provisions are inserted in §§ 2.3 and 3.3 to conform with the statutory amendment that the authority may agree to limitations and conditions with respect to its regulatory power.

The proposed amendments clarify that the authority may, in calculating adjusted family income for the purpose of determining eligibility for ownership or occupancy of any dwelling unit or development subject to federal income limitations, provide in its procedures, instructions and guidelines for the use of the method set forth in the federal law or rules or regulations for determining income. The use of such federal method avoids a duplication of the calculation of a person's or family's income. The

proposed amendments also expressly provide that the maximum principal amount for a single family's mortgage loan insured or guaranteed by the Veterans' Administration cannot exceed 10% of the sales price. Such sales price limitation is implicit under the current rules and regulations which provide that an applicable federal rule or regulation controls over any inconsistent rule or regulation of the authority. The proposed amendments will make explicit the use of the VA sales price limitations.

Other proposed amendments are intended to make certain clarifications or corrections and are not substantive in nature.

Impact: The authority expects that the proposed amendments which implement the statutory amendments will enable the authority to continue its multi-family housing programs at present levels of approximately 2,000 units per year. The authority anticipates that the proposed amendments relating to calculation of income will reduce processing of applications for ownership or occupancy of dwelling units but will have no effect on the number of units financed or the number of persons served under the authority's programs. The authority does not expect that any significant costs will be incurred for the implementation of and compliance with the proposed amendments.

Statutory Authority: § 36-55.30:3 of the Code of Virginia.

Written comments may be submitted until April 20, 1987.

Contact: Judson McKellar, General Counsel, Virginia Housing Development Authority, 13 S. 13th St., Richmond, Va. 23219, telephone (804) 782-1986

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† April 20, 1987 - Written comments may be submitted until this date.

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Virginia Housing Development Authority intends to amend regulations entitled: **VR 400-02-0001. Procedures, Instructions and Guidelines for Multi-Family Housing Development.** The amendments to the Procedures, Instructions and Guidelines for Multi-Family Housing Developments implement certain legislative amendments to the Virginia Housing Development Authority Act enacted by the 1987 General Assembly and other programmatic changes.

STATEMENT

Purpose: To amend the Procedures, Instructions and Guidelines for Multi-Family Housing Developments of the authority in accordance with certain statutory amendments to the Virginia Housing Development Authority Act enacted by the 1987 General Assembly and to implement other programmatic changes with regard to determination of

eligible income, transfers of limited partnership interests, and prepayments.

Basis: § 1.3 of the Rules and Regulations of the authority to be adopted pursuant to § 36-55.30:3 of the Code of Virginia.

Subject, substance and issues: Because of the impact of the Tax Reform Act of 1986 on low-income housing, the 1987 General Assembly enacted certain amendments to the Virginia Housing Development Authority Act. The provisions in § 36-55.33:1 of the Code of Virginia relating to the maximum principal amount of mortgage loans were amended in order to permit negative amortization loans with original principal amounts up to the maximum permitted amount. The provisions of § 36-55.33.1 of the Code of Virginia requiring limitations on annual distributions to limited profit housing sponsors, based on a percentage of such sponsors' equity as the difference between the fair market value (rather than total development cost) of the development and final principal amount of the mortgage loans. Section 36-55.34:1 of the Code of Virginia was amended to provide that the powers to supervise housing sponsors would be subject to such limitations and conditions as the authority may agree to. In addition the definition of "housing development" in § 36-55.26 of the Code of Virginia was amended to permit nursing care and medical facilities to be included in multi-family rental housing and developments. The proposed amendments will implement these changes enacted by the General Assembly. The term "original principal" is inserted in § 3 of the procedures, instructions and guidelines so that any negative amortization would be excluded from calculation of the maximum permissible principal amount of a mortgage loan. The provision of § 9 in the procedures, instructions and guidelines are amended to reflect the statutory amendments permitting the limitations on dividend distributions to be discretionary and authorizing the use of fair market value at and subsequent to final closing to determine the mortgagor's equity. Also, because such limitations on dividend distributions will be discretionary, the term "limited profit housing sponsor" is changed to "for-profit housing sponsor" throughout the procedures, instructions and guidelines. Provisions are inserted in §§ 3, 6, 9 and 11 of the procedures, instructions and guidelines to incorporate the statutory amendment that the authority may agree to limitations and conditions with respect to its regulatory powers, such as the authority's power to require cost certification and to approve rents. With respect to such power to approve the rents of a development, the proposed amendments will authorize the authority to agree with mortgagors of developments financed after January 1, 1986, that the mortgagor may establish and change rents without the prior approval of the authority if the mortgagor satisfies the restrictions imposed in the regulatory agreement to assure such rents remain affordable to the families intended to be served by the development and if at least 20% of the units are occupied or held available for occupancy by families with incomes less than 80% of the area median income and the

Calendar of Events

remaining units are occupied or held available for occupancy by families with incomes less than 150% of such area median income. The above described amendments to the procedures, instructions and guidelines will enable the authority to modify its multi-family housing program so that the developments financed thereunder will be financially feasible under the Tax Reform Act of 1986. Also, in § 6 of the procedures, instructions and guidelines, item 4 of the criteria was amended to include nursing care and medical facilities as incidental or related nonhousing facilities.

The proposed amendments clarify that the authority may, in calculating adjusted family income for the purpose of determining eligibility for occupancy of any development subject to federal income limitation, use the method set forth in the federal law or rules or regulations for determining income. The use of such federal method avoids a duplication of the calculation of a person's or family's income.

In order to assure control by the authority over significant transfers of partnership interests, the proposed amendments will require prior approval by the authority of any transfer of more than 50% (rather than 90% as presently provided) of the limited partnership interests in a mortgagor during any 12-month period.

Under current procedures, instructions and guidelines, no prepayment of a mortgage loan may be made without the authority's prior written consent. The proposed amendments will require such consent only during such period of time set forth in the note as the executive director shall determine to be necessary to accomplish the public purpose of the authority. This change is necessary in order to make the developments financially feasible for housing sponsors.

Other proposed amendments are intended to make certain clarification or corrections and are not substantive in nature.

Impact: The authority expects that the proposed amendments implementing the statutory amendments and revising the policy on prepayments will enable the authority to continue its multi-family housing programs at present levels of approximately 1,500 to 2,000 units per year. The proposed amendment relating to prepayments may result in earlier prepayments of mortgage loans and, therefore, in a future reduction in the number of units subject to authority financing and supervision. The authority anticipates that the proposed amendments relating to calculation of income will reduce processing of applications for occupancy of dwelling units but will have no effect on the number of units financed or the number of persons served under the authority's programs. The change relating to approval of transfers of limited partnership interests is not expected to have any significant impact on the authority's programs. The authority does not expect that any significant costs will be incurred for the implementation of and compliance with

the proposed amendments.

Statutory Authority: § 36-55.30:3 of the Code of Virginia.

Written comments may be submitted until April 20, 1987.

Contact: Judson McKellar, General Counsel, 13 S. 13th St., Richmond, Va. 23219, telephone (804) 782-1986

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† **April 21, 1987 - 10 a.m. – Open Meeting**
13 South 13th Street, Richmond, Virginia

A regular monthly meeting to (i) review and, if appropriate, approve the minutes from the prior monthly meeting; (ii) consider for approval and ratification mortgage loan commitments under its various programs; (iii) review the authority's operations for the prior month; (iv) consider and, if appropriate, approve changes to the Procedures, Instructions and Guidelines for Multi-Family Housing Developments and proposed amendments to the rules and regulations; and (v) consider such other matters and take such other actions as they may deem appropriate. The planned agenda of the meeting will be available at the offices of the authority one week prior to the date of the meeting.

Contact: Judson McKellar, Jr., General Counsel, 13 S. 13th St., Richmond, Va. 23219, telephone (804) 782-1986

DEPARTMENT OF LABOR AND INDUSTRY

Apprenticeship Council

April 30, 1987 - 9 a.m. – Open Meeting
General Assembly Building, House Room C, Capitol Square,
Richmond, Virginia. ☒

A regular quarterly meeting. The council will hear public comments and then conduct the remainder of the meeting.

If anyone wishes to address council during the public comment session, please send a written request to: Richard H. Webb, Chairman, Virginia Apprenticeship Council, Department of Labor and Industry, P.O. Box 12064, Richmond, Virginia 23241.

Contact: R. S. Baumgardner, Director of Apprenticeship, Department of Labor and Industry, P.O. Box 12064, Richmond, Va. 23241, telephone (804) 786-2381

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April 13, 1987 - 7 p.m. – Public Hearing
Pulaski Armory, 140 First Street, Pulaski, Virginia

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April 14, 1987 - 7 p.m. – Public Hearing
Central Virginia Community College, Amherst Classroom Building, Room 2123, Lynchburg, Virginia

April 15, 1987 - 7 p.m. – Public Hearing
Gar-Field Senior High School, Auditorium, 14000 Smoketown Road, Dale City, Virginia

April 16, 1987 - 7 p.m. – Public Hearing
Christopher Newport College, Administration Building, John Anderson Auditorium, Room A-105, 50 Shoe Lane, Newport News, Virginia

April 20, 1987 - 7 p.m. – Public Hearing
State Capitol, House Room 4, 9th and Grace Streets, Richmond, Virginia. ☐

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Virginia Apprenticeship Council intends to adopt regulations entitled: **VR 425-01-27. Regulations Governing the Administration of Apprenticeship Program in the Commonwealth of Virginia, Biennial Program Sponsor Evaluation (XI)**. The proposed program sponsor evaluation procedure is intended to improve the quality control capabilities of the Virginia Apprenticeship Council and the Division of Apprenticeship Training by establishing an evaluation system which will provide sufficient program information to recognize outstanding programs and to aid in the identification and correction of deficiencies in sponsors' apprenticeship programs.

Statutory Authority: § 40.1-118 of the Code of Virginia.

Written comments may be submitted until April 1, 1987, to Commissioner Carol A. Amato, Department of Labor and Industry, P.O. Box 12064, Richmond, Virginia 23241.

Contact: Robert S. Baumgardner, Director of Apprenticeship, Department of Labor and Industry, P.O. Box 12064, Richmond, Va. 23241, telephone (804) 786-2381 or (804) 786-3075

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April 13, 1987 - 7 p.m. – Public Hearing
Pulaski Armory, 140 First Street, NW, Pulaski, Virginia

April 14, 1987 - 7 p.m. – Public Hearing
Central Virginia Community College, Amherst Classroom Building, Room 2123, Lynchburg, Virginia

April 15, 1987 - 7 p.m. – Public Hearing
Gar-Field Senior High School, Auditorium, 14000 Smoketown Road, Dale City, Virginia

April 16, 1987 - 7 p.m. – Public Hearing
Christopher Newport College, Administration Building, John Anderson Auditorium, Room A-105, 50 Shoe Lane, Newport News, Virginia

April 20, 1987 - 7 p.m. – Public Hearing
State Capitol, House Room 4, 9th and Grace Streets, Richmond, Virginia. ☐

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Virginia Apprenticeship Council intends to amend regulations entitled: **VR 425-01-28. Regulations Governing the Administration of Apprenticeship Programs in the Commonwealth of Virginia, Standards of Apprenticeship Programs: Numeric Ratio of Apprentices to Journeymen (IV.B.14)**. These regulations propose to amend the ratio of apprentices to journeymen from 1:3 to 1:1 in order to meet the present and future skilled manpower needs.

Statutory Authority: § 40.1-118 of the Code of Virginia.

Written comments may be submitted until April 1, 1987, to Commissioner Carol Amato, Department of Labor and Industry, P.O. Box 12064, Richmond, Virginia 23241.

Contact: Robert S. Baumgardner, Director of Apprenticeship, Department of Labor and Industry, P.O. Box 12064, Richmond, Va. 23214, telephone (804) 786-2381 or (804) 786-3075

STATE BOARD FOR THE CERTIFICATION OF LIBRARIANS

April 13, 1987 - 10:30 a.m. – RESCHEDULED TO
† **April 27, 1987 - 10:30 a.m. – Open Meeting**
Department of Commerce, Travelers Building, Conference Room 1, 3600 West Broad Street, Richmond, Virginia. ☐

An open board meeting to conduct (i) regulatory review; (ii) discussion of revenue and expenditures; and (iii) signing of certificates.

Contact: Gerald W. Morgan, Assistant Director, 3600 W. Broad St., 5th Floor, Richmond, Va. 23230-4917, telephone (804) 257-8508

THE LIBRARY BOARD

May 2, 1987 - 9:30 a.m. – Open Meeting
Roanoke Public Library, Steve Brody Room, 706 South Jefferson Street, Roanoke, Virginia. ☐

A regular meeting to discuss administrative matters.

Automated Systems and Networking Committee

April 20, 1987 - 10:30 a.m. – Open Meeting
Virginia State Library, Conference Room B, 11th Street at Capitol Square, Richmond, Virginia. ☐

Calendar of Events

A meeting to discuss Automated Systems and Networking Committee matters.

Contact: Jean K. Reynolds, Virginia State Library, 11th St. at Capitol Square, Richmond, Va. 23219, telephone (804) 786-2332

COMMISSION ON LOCAL GOVERNMENT

† **May 27, 1987 - 10 a.m.** – Open Meeting
Ninth Street Office Building, Room 901, Richmond, Virginia. ☒

A regular meeting to consider such matters as may be presented.

Contact: Barbara W. Bingham, Ninth Street Office Bldg., Room 901, Richmond, Va. 23219 (804) 786-6508

LONG-TERM CARE COUNCIL

Local Long-Term Care Coordinating Committees

May 12, 1987 - 9:30 a.m. – Open Meeting
Ramada Inn, 7104 Studley Road, Manassas, Virginia. ☒

May 13, 1987 - 9:30 a.m. – Open Meeting
Sheraton Inn (Coliseum), 1215 West Mercury Boulevard, Hampton, Virginia. ☒

May 14, 1987 - 9:30 a.m. – Open Meeting
Holiday Inn (Crossroads), 2000 Staples Mill Road, Richmond, Virginia. ☒

May 15, 1987 - 9:30 a.m. – Open Meeting
Western State Hospital, Staunton, Virginia. ☒

May 21, 1987 - 9:30 a.m. – Open Meeting
The Hardware Company Restaurant, Abingdon, Virginia. ☒

Mutual discussion and information-sharing concerning the activities and concerns of both the council and local coordinating committees.

Contact: Catherine P. Saunders, Virginia Department for the Aging, 101 N. 14th St., Richmond, Va. 23219, telephone (804) 225-2912

MARINE RESOURCES COMMISSION

May 5, 1987 - 9:30 a.m. – Open Meeting
Newport News City Council Chamber, 2400 Washington Avenue, Newport News, Virginia

The Marine Resources Commission meets on the first Tuesday of each month to hear and decide cases on fishing licensing; oyster ground leasing; environmental permits in wetlands, bottomlands, coastal sand dunes, and beaches. It hears and decides appeals made on local wetlands board decisions.

Fishery Management and Conservation measures are discussed by the commission. The commission is empowered to exercise general regulatory power within 15 days, and is empowered to take specialized marine life harvesting and conservation measures within five days.

Contact: Virginia S. Chappell, Secretary to the Commission, Marine Resources Commission, P.O. Box 756, Newport News, Va. 23607, telephone (804) 247-2208

DEPARTMENT OF MEDICAL ASSISTANCE SERVICES

April 16, 1987 - 10 a.m. – Open Meeting
Department of Medical Assistance Services, 13th Floor, 600 East Broad Street, Richmond, Virginia. ☒

A meeting to discuss (i) Technical State Plan amendment, method of evidencing eligibility for homeless; (ii) budget and legislation update; (iii) Outpatient Psychiatric Services Study; (iv) State Plan Review and Indigent Health Care Study updates; and (v) other business pertinent to the board.

Contact: Jacqueline M. Fritz, Department of Medical Assistance Services, Suite 1300, 600 E. Broad St., Richmond, Va. 23219, telephone (804) 786-7933

VIRGINIA STATE BOARD OF MEDICINE

May 5, 1987 - 9 a.m. – Public Hearing
NOTE LOCATION CHANGE: General Assembly Building, House Room C, Capitol Square, Richmond, Virginia. ☒

Notice is hereby given that the Board of Medicine will hold a public hearing to receive oral or written comments on § 54-317 (12) of the Code of Virginia regarding physicians selling medicine, drugs, eyeglasses, medical appliances, or devices.

Contact: Hilary H. Conner, M.D., Executive Director, Surry Bldg., 2nd Floor, 1601 Rolling Hills Dr., Richmond, Va. 23219-5005, telephone (804) 662-9925

Informal Conference Committee

April 17, 1987 - 10:30 a.m. – Open Meeting
Department of Health Regulatory Boards, Koger Center, Surry Building, 2nd Floor, Board Room 2, 1601 Rolling

Hills Drive, Richmond, Virginia. ☒

The Informal Conference Committee composed of three members of the Virginia Board will inquire into allegations that certain practitioners may have violated laws and regulations governing the practice of medicine in Virginia. The committee will meet in open and closed sessions pursuant to subsection (A) (6) of § 2.1-344 of the Code of Virginia.

May 7, 1987 - 12:30 p.m. – Open Meeting
Sheraton Patriot Inn, 3032 Richmond Road (off Route 60), Williamsburg, Virginia. ☒

A meeting to inquire into allegations that certain practitioners may have violated laws and regulations governing the practice of medicine in Virginia. The committee will meet in open and closed sessions pursuant to subsection (A) (6) of § 2.1-344 of the Code of Virginia.

Advisory Board on Physical Therapy

May 7, 1987 - 9 a.m. – Open Meeting
May 8, 1987 - 9 a.m. – Open Meeting
Department of Health Regulatory Boards, Koger Center, 2nd Floor Surry Building, 1601 Rolling Hills Drive, Richmond, Virginia. ☒

The advisory board will meet to conduct general board business and respond to correspondence. This will be a two day work session for the board. They will also discuss other items which may come before the advisory board.

Contact: Eugenia K. Dorson, Regulatory Board Administrator, Surry Bldg., 1601 Rolling Hills Dr., Richmond, Va. 23229-5005, telephone (804) 662-9925

STATE MENTAL HEALTH AND MENTAL RETARDATION BOARD

† **April 29, 1987 - 10 a.m. – Open Meeting**
Piedmont Regional Community Services Board, Martinsville, Virginia. ☒

A regular monthly meeting. The agenda will be published on April 22 and may be obtained by calling Jane Helfrich.

Contact: Jane V. Helfrich, Secretary, Department of Mental Health and Mental Retardation, P.O. Box 1797, Richmond, Va. 23214, telephone (804) 786-3921

DEPARTMENT OF MENTAL HEALTH AND MENTAL RETARDATION; UNIVERSITY OF VIRGINIA INSTITUTE OF LAW, PSYCHIATRY AND PUBLIC POLICY

Division of Continuing Education and Office of Continuing Medical Education

May 28, 1987 - Open Meeting
May 29, 1987 - Open Meeting
Conference Center, Colonial Williamsburg Lodge, Williamsburg, Virginia. ☒

Tenth Annual Symposium on Mental Health and the Law, entitled: "Professional Liability in the Mental Health, Mental Retardation and Substance Abuse Professions."

An annual symposium addressing issues related to mental health and the law. Ten hours in Category 1 CME, 1 CEU and 10 CLE credits applied for.

Contact: Lynn Daidone, Administrator, Institute of Law, Psychiatry and Public Policy, Blue Ridge Hospital, Box 100, Charlottesville, Va. 22901, telephone (804) 924-5435

STATE MILK COMMISSION

† **April 15, 1987 - 10 a.m. – Public Hearing**
General Assembly Building, House Room C, Capitol Square, Richmond, Virginia. ☒

A public hearing to receive evidence and testimony relative to amending Regulation No. 8 or adopting a temporary pricing order.

† **April 17, 1987 - 8 p.m. – Open Meeting**
Hotel Roanoke, Roanoke, Virginia. ☒

A routine monthly meeting.

Contact: C. H. Coleman, Administrator, Ninth Street Office Bldg., Room 1015, Richmond, Va. 23219, telephone (804) 786-2013

DEPARTMENT OF MOTOR VEHICLES

April 20, 1987 - 7 p.m. – Open Meeting
Virginia Department of Transportation, Auditorium, 870 Bonham Road, Bristol, Virginia. ☒

April 21, 1987 - 1 p.m. – Open Meeting
Virginia Department of Transportation, Auditorium, 731 Harrison Avenue, Salem, Virginia. ☒

April 22, 1987 - 8:30 a.m. – Open Meeting
Virginia Department of Transportation, Auditorium,

Calendar of Events

Commerce Road, Staunton, Virginia

April 30, 1987 - 7 p.m. - Open Meeting
Department of Motor Vehicles, Dale City Branch Office,
Exam Room, 14008 Smoketown Road, Woodbridge,
Virginia. ☒

May 4, 1987 - 7 p.m. - Open Meeting
Department of Motor Vehicles, Military Circle Branch
Office, 5745 Poplar Hall Drive, Norfolk, Virginia. ☒

May 5, 1987 - 1 p.m. - Open Meeting
South Hill Municipal Building, Town Council Meeting
Room, 117 West Atlantic Street, South Hill, Virginia

May 6, 1987 - 1 p.m. - Open Meeting
Department of Motor Vehicles Headquarters Building,
Agecroft Room, 2300 West Broad Street, Richmond,
Virginia. ☒

In accordance with § 9-6.14:25 of the Code of Virginia and Executive Order Number Twenty-Six (86), the Department of Motor Vehicles is conducting a comprehensive review of its regulations and associated forms. As part of this review process, public meetings will be held throughout the Commonwealth for the purpose of soliciting comments and suggestions related to the below listed regulations.

1. Accident prevention courses for older drivers.
2. Evidence required to permit registration or reregistration of vehicles for which proof of tax payment and of State Corporation Commission registration is required.
3. International registration plan.
4. Overload permit regulations.
5. Privacy Protection Act Rules and Regulations.
6. Public participation guidelines.
7. Rules and regulations for Motorcycle Rider Safety Training Center Program.
8. Virginia Driver Improvement Act rules and regulations.
9. Virginia Motor Vehicle Rental Tax rules and regulations.

Contact: Bruce Gould, Room 319, P. O. Box 27412, Richmond, Va. 23269, telephone (804) 257-0453

NORFOLK STATE UNIVERSITY

Board of Visitors

May 16, 1987 - 10 a.m. - Open Meeting
Harrison B. Wilson Administration Building, Board Room,
Norfolk State University, Norfolk, Virginia

The purpose of the meeting is to discuss various issues pertaining to the university. The agenda should be

available at least five working days prior to the meeting.

Contact: Gerald D. Tyler, Norfolk State University, Wilson Hall-S340, 2401 Corprew Ave., Norfolk, Va. 23504, telephone (804) 623-8373

VIRGINIA STATE BOARD OF NURSING

Informal Conference Committee

April 14, 1987 - 8:30 a.m. - Open Meeting
April 23, 1987 - 8:30 a.m. - Open Meeting
Department of Health Regulatory Boards, Koger Center,
Surry Building, Conference Room 2, 1601 Rolling Hills
Drive, Richmond, Virginia. ☒ (Interpreter for deaf
provided if requested)

The committee will inquire into allegations that certain licensees may have violated laws and regulations governing the practice of nursing in Virginia.

Contact: Corinne F. Dorsey, R.N., Executive Director, Virginia State Board of Nursing, 1601 Rolling Hills Dr., Richmond, Va. 23229, telephone (804) 662-9909

VIRGINIA BOARD OF OPTOMETRY

† **May 13, 1987 - 1 p.m. - Open Meeting**
National Conference Center, 50 Kingsmill Road,
Williamsburg, Virginia. ☒

A formal hearing regarding John H. Kauffman, III, O.D.

† **May 14, 1987 - 9 a.m. - Open Meeting**
National Conference Center, 50 Kingsmill Road,
Williamsburg, Virginia. ☒

A meeting to (i) discuss implementation of new regulations; (ii) review disciplinary matters; and (iii) discuss general board business.

Contact: Moria C. Lux, Executive Director, Virginia Board of Optometry, 1601 Rolling Hills Dr., Richmond, Va. 23229, telephone (804) 662-9910

STATE BOARD OF PHARMACY

April 28, 1987 - 9 a.m. - Open Meeting
April 29, 1987 - 9 a.m. - Open Meeting
Department of Health Regulatory Boards, Koger Center,
Surry Building, Conference Room 1, 1601 Rolling Hills

Drive, Richmond, Virginia. ☒

On April 28 board business and formulation of board regulation proposals; April 29 Pharmacy Jurisprudence Examination Committee meeting.

† **May 6, 1987 - 9 a.m. - Open Meeting**

Department of Health Regulatory Boards, Koger Center, Surry Building, Conference Room 2, 1601 Rolling Hills Drive, Richmond, Virginia. ☒

An informal conference committee composed of two members of the State Board of Pharmacy will inquire into allegations that certain pharmacists may have violated laws and regulations governing the practice of pharmacy in Virginia. The committee will meet in open and closed sessions pursuant to subdivision 6 of subsection A of § 2.1-344 of the Code of Virginia.

Contact: J. B. Carson, Executive Director, 1601 Rolling Hills Dr., Richmond, Va. 23229, telephone (804) 662-9921

BOARD OF COMMISSIONERS TO EXAMINE PILOTS

April 15, 1987 - 10 a.m. - Open Meeting

Hasler and Company, 212 Tazewell Street, Norfolk, Virginia

The board will meet to conduct routine business at its regular quarterly meeting.

Contact: David E. Dick, 3600 W. Broad St., Richmond, Va., 23230, telephone (804) 257-8515 or William L. Taylor, 3327 Shore Dr., Virginia Beach, Va., 23451, telephone (804) 496-0995

VIRGINIA BOARD OF PROFESSIONAL COUNSELORS

April 15, 1987 - 10 a.m. - Open Meeting

James Monroe Building, Rooms C, D, and E, 101 North 14th Street, Richmond, Virginia. ☒

Credentials review at 10 a.m. and Oral Examiners Workshop at 1 p.m.

April 16, 1987 - 9 a.m. - Open Meeting

Koger Center, Surry Building, 1601 Rolling Hills Drive, Richmond, Virginia. ☒

A meeting to (i) conduct general board business; (ii) make policies; (iii) respond to board correspondence; and (iv) review credentials.

Contact: Joyce D. Williams, 1601 Rolling Hills Dr., Richmond, Va. 23229-5005, telephone (804) 662-9912

VIRGINIA BOARD OF PSYCHOLOGY

† **April 30, 1987 - 9 a.m. - Open Meeting**

Department of Health Regulatory Boards, Koger Center, Surry Building, 1601 Rolling Hills Drive, Richmond, Virginia. ☒

A meeting to (i) conduct general board business; (ii) review application; (iii) respond to correspondence; and (iv) discuss regulations.

Contact: Stephanie A. Sivert, Executive Director, 1601 Rolling Hills Dr., Richmond, Va. 23229, telephone (804) 662-9913

VIRGINIA REAL ESTATE BOARD

† **April 14, 1987 - 9 a.m. - Open Meeting**

Department of Commerce, Travelers Building, 5th Floor, Board Room 1, 3600 West Broad Street, Richmond, Virginia. ☒

A regular business meeting of the board. The agenda will consist of investigative cases (files) to be considered, files to be reconsidered, matters relating to fair housing, property registration, and licensing issues (e.g., reinstatement, eligibility requests).

Contact: Florence R. Brassier, Assistant Director for Real Estate, Department of Commerce, 5th Floor, 3600 W. Broad St., Richmond, Va. 23230

BOARD OF REHABILITATIVE SERVICES

April 22, 1987 - 3 p.m. - Public Hearing

April 22, 1987 - 7 p.m. - Public Hearing

Holiday Inn Crossroads, 2000 Staples Mill Road, Richmond, Virginia. ☒

Notice is hereby given in accordance with § 9-5.14:7.1 of the Code of Virginia that the Board of Rehabilitative Services intends to adopt regulations entitled: **VR 595-02-1. Provision of Independent Living Rehabilitation Services.** These regulations will govern the determination of eligibility criteria and all independent living rehabilitation services provided to persons who are determined eligible to receive such services.

Statutory Authority: § 51.01-5.7 of the Code of Virginia.

Written comments may be submitted until June 1, 1987, to David R. Ziskind, P.O. 11045, Richmond, Virginia 23230.

Contact: James L. Hunter, Department of Rehabilitative Services, 4901 Fitzhugh Ave., Richmond, Va. 23220, telephone (804) 257-6446 (toll-free number 1-800-553-5019)

Calendar of Events

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† **April 24, 1987 - 9:30 a.m. – Open Meeting**
Holiday Inn-Crossroads, Staples Mills Road and Broad Street, Richmond, Virginia. ☒ (Interpreter for deaf provided if requested)

A regularly scheduled meeting to (i) consider recommended priorities and initiatives for the board and department; and (ii) conduct the business of the board.

Evaluation and Analysis Committee

† **April 23, 1987 - 1 p.m. – Open Meeting**
Holiday Inn-Crossroads, Staples Mill Road and Broad Street, Richmond, Virginia. ☒ (Interpreter for deaf provided if requested)

A meeting to (i) review and evaluate proposed policies and procedures; (ii) review grants and contracts; and (iii) develop recommendations for presentation to the Board of Rehabilitative Services at its regular meeting.

Finance Committee

† **April 23, 1987 - 3 p.m. – Open Meeting**
Holiday Inn-Crossroads, Staples Mill Road and Broad Street, Richmond, Virginia. ☒ (Interpreter for deaf provided if requested)

A meeting to (i) review financial reports, grants and contracts; and (ii) discuss other budgetary matters.

Program Committee

† **April 23, 1987 - 9 a.m. – Open Meeting**
Holiday Inn-Crossroads, Staples Mill Road and Broad Street, Richmond, Virginia. ☒ (Interpreter for deaf provided if requested)

A meeting to (i) review, discuss and consider information and recommendations on proposed Independent Living Regulations; (ii) consider comments received from the April 22, 1987, public hearing; and (iii) review other information toward development of Independent Living Regulations for recommendation to the Board of Rehabilitative Services after the close of the public comment period, June 1, 1987.

Contact: James L. Hunter, Department of Rehabilitative Services, 4901 Fitzhugh Ave., Richmond, Va. 23220, telephone (804) 257-6446 (toll free number 1-800-552-5019)

VIRGINIA RESOURCES AUTHORITY

April 14, 1987 - 10 a.m. – Open Meeting
The Authority Board Room, Suite 305, Mutual Building, 909 East Main Street, Richmond, Virginia

The board will meet to (i) approve the minutes of the March 10, 1987, meeting; (ii) review the authority's operations for the prior month; and (iii) consider other matters and take other actions as they may deem appropriate. The planned agenda of the meeting will be available at the offices of the authority one week prior to the date of the meeting.

Contact: Shockley D. Gardner, Jr., Executive Director, P.O. Box 1300, Richmond, Va. 23210, telephone (804) 644-3100

BOARD FOR RIGHTS OF THE DISABLED

April 22, 1987 - 1 p.m. – Open Meeting
Pavilion Tower Hotel, 1900 Pavilion Drive, Virginia Beach, Virginia. ☒

A quarterly meeting of the board to review (i) committee activities; (ii) future systems advocacy initiatives; and (iii) annual awards.

Contact: Jim Rothrock, Department for Rights of the Disabled, James Monroe Building, 17th Floor, 101 N. 14th St., Richmond, Va. 23219, telephone (804) 225-2042 (toll-free 1-800-552-3962)

DEPARTMENT FOR RIGHTS OF THE DISABLED

Protection and Advocacy Board for Those Labeled Mentally Ill

April 16, 1987 - 10 a.m. – Open Meeting
James Monroe Building, 16th Floor, Conference Room, 101 North 14th Street, Richmond, Virginia. ☒ (Interpreter for deaf provided if requested)

A bimonthly meeting to continue organization and development of new Virginia Protection and Advocacy Board as established by P.L. 99-319.

Contact: Barbara Hoban, Department for Rights of the Disabled, James Monroe Bldg., 17th Floor, 101 N. 14th St., Richmond, Va. 23219, telephone (804) 225-2042 (toll-free 1-800-552-3962)

VIRGINIA SMALL BUSINESS FINANCING AUTHORITY

† April 21, 1987 - 10 a.m. -- Public Hearing
General Assembly Building, House Room C, Capitol Square,
Richmond, Virginia. ☒

The authority will conduct a public hearing to consider Industrial Development Bond applications received by the authority and for which public notice has appeared in the appropriate newspapers of general circulation. Following the public hearing, the authority will conduct its regular business meeting.

Contact: Nic Walker, Virginia Small Business Financing Authority, Washington Bldg., Room 1000, Richmond, Va. 23219, telephone (804) 786-3791

VIRGINIA BOARD OF SOCIAL WORK

† April 25, 1987 - 9 a.m. -- Open Meeting
Department of Health Regulatory Boards, Koger Center,
Surry Building, 1601 Rolling Hills Drive, Richmond,
Virginia ☒

A meeting to conduct an oral examiners workshop for future oral examiners.

† May 15, 1987 - 9:30 a.m. -- Open Meeting
Department of Health Regulatory Boards, Koger Center,
Surry Building, 1601 Rolling Hills Drive, Richmond,
Virginia. ☒

A meeting to conduct (i) general board business; (ii) review applications; (iii) respond to correspondence; and (iv) discuss regulations.

Contact: Stephanie A. Sivert, 1601 Rolling Hills Dr., Richmond, Va. 23229, telephone (804) 662-9914

COMMONWEALTH TRANSPORTATION BOARD

April 16, 1987 - 10 a.m. -- Open Meeting
Department of Transportation, Board Room, 3rd Floor,
1401 East Broad Street, Richmond, Virginia. ☒

A monthly meeting of the Commonwealth Transportation Board to vote on proposals presented regarding bids, permits, additions and deletions to the highway system, and any other matters requiring board approval.

† May 21, 1987 - 10 a.m. -- Open Meeting
Washington/Dulles Ramada Renaissance, 13869 Park
Center Road, Herndon, Virginia. ☒

A monthly meeting to vote on proposals presented regarding bids, permits, additions and deletions to the

highway system, and any other matters requiring board approval.

Contact: Albert W. Coates, Jr., Assistant Commissioner, Department of Transportation, 1401 E. Broad St., Richmond, Va. 23219, telephone (804) 786-9950

DEPARTMENT OF TRANSPORTATION

April 13, 1987 - 1 p.m. -- Public Hearing
Virginia High School, Long Crescent Drive, Bristol,
Virginia. ☒ (Interpreter for deaf provided if requested)

A public hearing to receive comments on highway allocations for the coming year and on updating the six-year improvement program for the interstate, primary, and urban systems.

Contact: Albert W. Coates, Jr., Assistant Commissioner, Department of Transportation, 1401 E. Broad St., Richmond, Va. 23219, telephone (804) 786-9950

VIRGINIA-ISRAEL COMMISSION

Full Commission

April 22, 1987 - 1 p.m. -- Open Meeting
General Assembly Building, House Room D, Capitol
Square, Richmond, Virginia. ☒

A general discussion of the progress of the commission's work.

Contact: Richard A. Arenstein, State Capitol, Richmond, Va. 23219, telephone (804) 786-2211

BOARD FOR THE VISUALLY HANDICAPPED

† May 20, 1987 - 11 a.m. -- Open Meeting
Administrative Headquarters, 397 Azalea Avenue,
Richmond, Virginia ☒ (Interpreter for deaf provided if
requested) ☎

A quarterly meeting to review policy and procedures. The board reviews and approves the department's budget, executive agreement and operating plan.

Contact: Diane E. Allen, Executive Secretary Senior, 397 Azalea Ave., Richmond, Va. 23227, telephone (804) 264-3145 (TTD number (804) 264-3140)

Calendar of Events

DEPARTMENT FOR THE VISUALLY HANDICAPPED

Advisory Committee on Services

† July 18, 1987 - 10:30 a.m. - Open Meeting
Administrative Headquarters, 397 Azalea Avenue,
Richmond, Virginia. ☒ (Interpreter for deaf provided if
requested) ☛

A quarterly meeting to advise the Virginia Department
for the Visually Handicapped on matters related to
services for blind and visually handicapped citizens of
the Commonwealth.

Contact: Diane E. Allen, Executive Secretary Senior, 397
Azalea Ave., Richmond, Va. 23227, telephone (804)
264-3145 (TTD number 264-3140)

VIRGINIA WASTE MANAGEMENT BOARD

† April 23, 1987 - 10 a.m. - Open Meeting
Embassy Suites Hotel, The Commerce Center, 2925
Emerywood Parkway, Richmond, Virginia

A general business meeting.

Contact: Cheryl Cashman, James Monroe Bldg., 11th Floor,
101 N. 14th St., Richmond, Va. 23219, telephone (804)
225-2667

THE COLLEGE OF WILLIAM AND MARY

Board of Visitors

April 24, 1987 - 3 p.m. - Open Meeting
April 25, 1987 - 8 a.m. - Open Meeting
April 26, 1987 - 8 a.m. - Open Meeting
Campus Center, Jamestown Road, Williamsburg, Virginia

A regularly scheduled meeting of the Board of Visitors
of the College of William and Mary to (i) approve the
budgets and fees of the college and Richard Bland
College; (ii) receive reports from several committees
of the board; and (iii) act on those resolutions that
are presented by the administrations of William and
Mary and Richard Bland Colleges.

An informational release will be available four days
prior to the board meeting for those individuals and
organizations who request it.

Contact: The College of William and Mary, Office of
University Relations, James Blair Hall, Room 308,
Williamsburg, Va. 23185, telephone (804) 253-4226

COUNCIL ON THE STATUS OF WOMEN

† May 12, 1987 - 9 a.m. - Open Meeting
Koger Executive Center, Koger Building, Conference Room
124, 8001 Franklin Farms Drive, Richmond, Virginia

A regular meeting to conduct general business and
receive reports from the council committees. At 10
a.m. meetings of the standing committees will be
reviewed.

Contact: Bonnie H. Robinson, Executive Director, 8007
Discovery Dr., Richmond, Va. 23229-8699, telephone (804)
281-9200

LEGISLATIVE

VIRGINIA STATE CRIME COMMISSION

April 13, 1987 - 10 a.m. - Open Meeting
General Assembly Building, Conference Room, 6th Floor,
Capitol Square, Richmond, Virginia. ☒

The purpose of the meeting will be for commission
members to (i) review and approve the 1986 annual
report for publication and distribution; (ii) review 1987
legislative actions; (iii) review two studies mandated
by HJR 225 and SJR 174; and (iv) discuss any other
concerns of the members.

Contact: Robert E. Colvin, Executive Director, Virginia
State Crime Commission, P.O. Box 3-AG, Richmond, Va.
23208 or General Assembly Bldg., 2nd Floor, Room 230,
Richmond, Va. 23219, telephone (804) 225-4534

COMMISSION ON VETERANS' AFFAIRS

May 2, 1987 - 10 a.m. - Public Hearing
Clinch Valley College, Main Lecture Hall, Wise, Virginia. ☒

June 6, 1987 - 10 a.m. - Public Hearing
Virginia Military Institute, Nickols Engineering Hall, Room
507, Lexington, Virginia. ☒

† July 11, 1987 - 10 a.m. - Open Meeting
Clarke County Circuit Court, Main Court Room, Berryville,
Virginia. ☒

The commission will conduct a public hearing, taking
testimony from individual veterans, representatives of
veterans' organizations, and the general public on any
matters concerning Virginia's veterans.

Contact: Alan Wambold, Research Associate, Division of
Legislative Services, P.O. Box 3-AG, Richmond, Va. 23208,

telephone (804) 786-3591

CHRONOLOGICAL LIST

OPEN MEETINGS

April 13

Crime Commission, Virginia State
Health, Department of
- Commission on Medical Care Facilities
Home Health Agency Advisory Committee
Housing and Community Development, Board of
- Division of Building Regulatory Services

April 14

Housing and Community Development, Board of
- Division of Building Regulatory Services
Nursing, Virginia State Board of
- Informal Conference Committee
† Real Estate Board, Virginia
Resources Authority, Virginia

April 15

Commerce, Department of
Corrections, State Board of
Housing and Community Development, Board of
- Division of Building Regulatory Services
Pilots, Board of Commissioners to Examine
Professional Counselors, Virginia Board of

April 16

Auctioneers Board, Virginia
Government Savings Bond Campaign, State
Housing and Community Development, Board of
- Division of Building Regulatory Services
Medical Assistance Services, Department of
Professional Counselors, Virginia Board of
Rights of the Disabled, Department for
- Protection and Advocacy Board for those Labeled
Mentally III
Transportation Board, Commonwealth

April 17

† Building Code Technical Review Board State
Government Savings Bond Campaign, State
Medicine, Virginia State Board of
- Informal Conference Committee
† Milk Commission, State

April 18

Government Savings Bond Campaign, State

April 19

Government Savings Bond Campaign, State

April 20

† Accountancy, State Board of
Government Savings Bond Campaign, State
Library Board, The
- Automated Systems and Networking Committee
Motor Vehicles, Department of

April 21

† Accountancy, State Board of
Air Pollution Control Board, State
Conservation and Historic Resources, Department of
- Virginia Historic Landmarks Board and the State
Review Board of the Division of Historic Landmarks
Government Savings Bond Campaign, State
† Health Regulatory Boards, Council on
† Housing Development Authority, Virginia
Motor Vehicles, Department of

April 22

† Accountancy, State Board of
Aging, Governor's Advisory Board on
Audiology and Speech Pathology, Virginia Board of
Examiners for
Contractors, State Board of
Education, State Board of
† Funeral Directors and Embalmers, Virginia Board of
Government Savings Bond Campaign, State
† Health Services Cost Review Council, Virginia
Motor Vehicles, Department of
Rights of the Disabled, Board for
Virginia-Israel Commission
- Full Commission

April 23

Aging, Governor's Advisory Board on
Education, State Board of
† Funeral Directors and Embalmers, Virginia Board of
Government Savings Bond Campaign, State
Nursing, Virginia State Board of
- Informal Conference Committee
† Rehabilitative Services, Board of
- Evaluation and Analysis Committee
- Finance Committee
- Program Committee
† Waste Management Board, Virginia

April 24

Conservation and Historic Resources, Department of
- Falls of the James Advisory Committee
Education, State Board of
† Fire Services Board, Virginia
† Game and Inland Fisheries, Commission of
Government Savings Bond Campaign, State
† Rehabilitative Services, Board of
William and Mary, The College of
- Board of Visitors

April 25

† Funeral Directors and Embalmers, Virginia Board of
† Social Work, Virginia Board of
Government Savings Bond Campaign, State
William and Mary, The College of

Calendar of Events

- Board of Visitors

April 26

Government Savings Bond Campaign, State
WalkAmerica Day at DMV
William and Mary, The College of
- Board of Visitors

April 27

Government Savings Bond Campaign, State
† Librarians, State Board for the Certification of

April 28

† Children's Facilities, Interdepartmental Council on
Rate-Setting for
Government Savings Bond Campaign, State
Pharmacy, State Board of

April 29

Government Savings Bond Campaign, State
† Mental Health and Mental Retardation Board, State
Pharmacy, State Board of

April 30

Government Savings Bond Campaign, State
Labor and Industry, Department of
- Apprenticeship Council
Motor Vehicles, Department of
† Psychology, Virginia Board of

May 1

Government Savings Bond Campaign, State

May 2

Library Board, The

May 4

† Health Regulatory Boards, Council on
Motor Vehicles, Department of

May 5

† Cattle Industry Board, Virginia
Marine Resources Commission
Motor Vehicles, Department of

May 6

† Cattle Industry Board, Virginia
Motor Vehicles, Department of
† Pharmacy, State Board of

May 7

Housing and Community Development, Board of
- Amusement Device Technical Advisory Committee
Medicine, Virginia State Board of
- Informal Conference Committee
- Advisory Board on Physical Therapy

May 8

Dentistry, Virginia Board of
Medicine, Virginia State Board of
- Advisory Board on Physical Therapy

May 11

† Agricultural Council, Virginia

May 12

Long-Term Care Council
- Local Long-Term Care Coordinating Committees
† Women, Council on the Status of

May 13

Corrections, State Board of
Long-Term Care Council
- Local Long-Term Care Coordinating Committees
† Optometry, Virginia Board of

May 14

Long-Term Care Council
- Local Long-Term Care Coordinating Committees
† Optometry, Virginia Board of

May 15

Long-Term Care Council
- Local Long-Term Care Coordinating Committees
† Social Work, Virginia Board of

May 16

Cave Board, Virginia
Norfolk State University
- Board of Visitors

May 20

Community Colleges, State Board for
Elections, State Board of
† Visually Handicapped, Board for the

May 21

Community Colleges, State Board for
Long-Term Care Council
- Local Long-Term Care Coordinating Committees
† Transportation Board, Commonwealth

May 27

† Health Services Cost Review Council, Virginia
† Local Government, Commission on

May 28

Mental Health and Mental Retardation, Department of;
University of Virginia Institute of Law, Psychiatry and
Public Policy
- Division of Continuing Education and Office of
Continuing Medical Education

May 29

Mental Health and Mental Retardation, Department of;
University of Virginia Institute of Law, Psychiatry and
Public Policy
- Division of Continuing Education and Office of
Continuing Medical Education

June 4

Health, Department of

Calendar of Events

June 17
Corrections, State Board of

June 23
Elections, State Board of

July 18
† Visually Handicapped, Department for the
- Advisory Committee on Services

June 11
† Education, State Board of

July 11
† Veterans' Affairs, Commission on

September 28
Agriculture and Consumer Services, Department of

PUBLIC HEARINGS

April 13
Labor and Industry, Department of
- Apprenticeship Council
Transportation, Department of

April 14
Labor and Industry, Department of
- Apprenticeship Council

April 15
Labor and Industry, Department of
- Apprenticeship Council
† Milk Commission, State

April 16
Labor and Industry, Department of
- Apprenticeship Council

April 20
Labor and Industry, Department of
- Apprenticeship Council

April 21
† Small Business Financing Authority, Virginia

April 22
Audiology and Speech Pathology, Virginia Board of
Examiners for
Education, State Board of
Rehabilitative Services, Board of

April 23
Employment Commission, Virginia
† Fire Services Board, Virginia

May 2
Veterans' Affairs, Commission on

May 5
Medicine, Virginia State Board of

May 15
Health Coordinating Council, Statewide

June 6
Veterans' Affairs, Commission on

Calendar of Events
