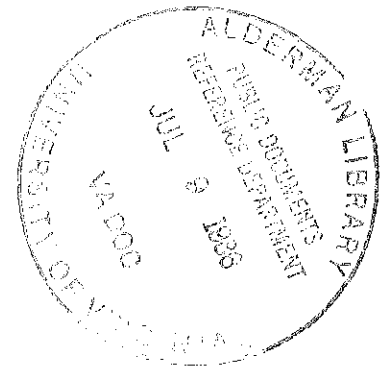
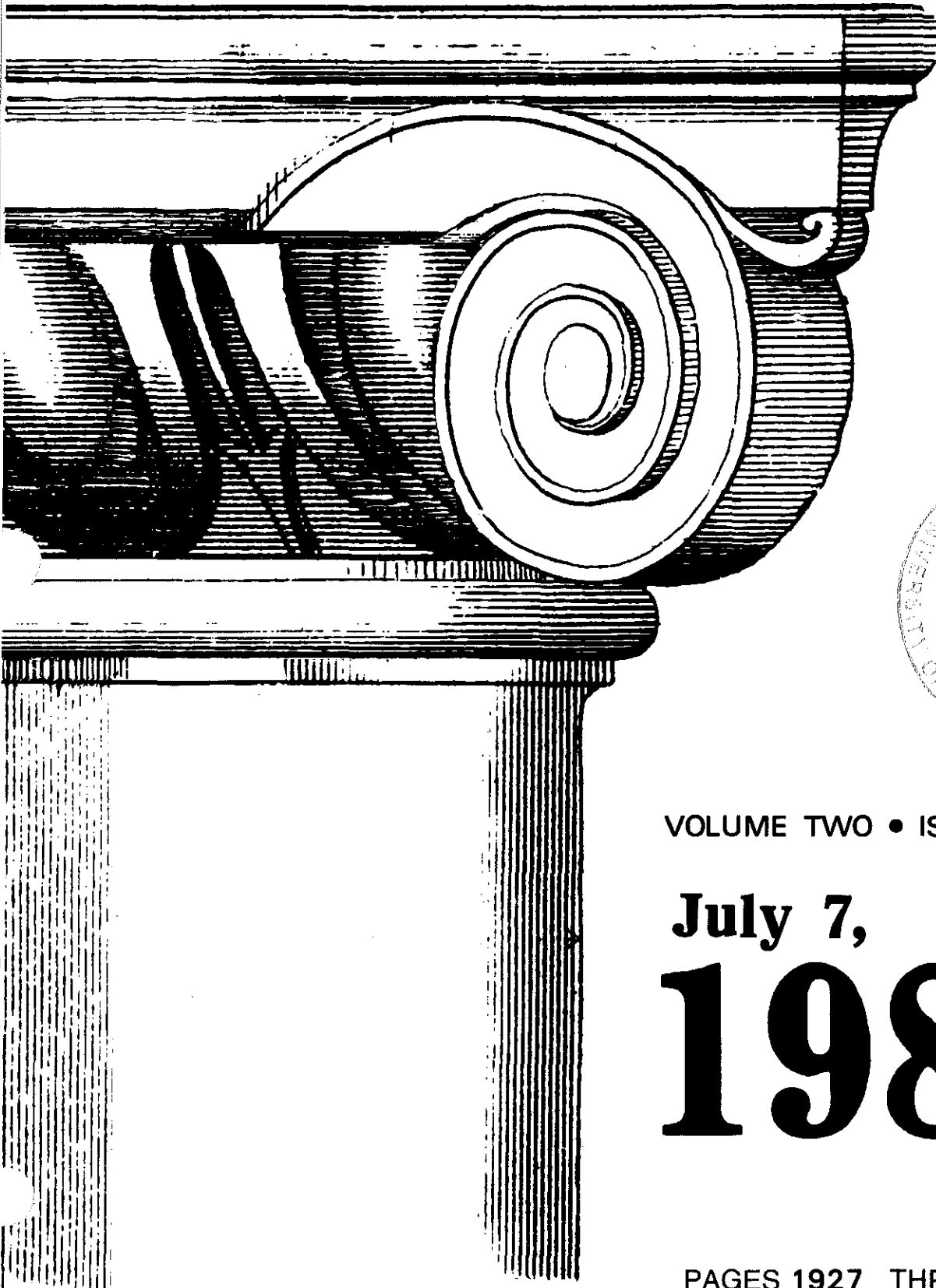


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# THE VIRGINIA REGISTER

OF REGULATIONS

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July 7,  
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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 his 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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Aug. 18	July 30
Sept. 1	Aug. 13
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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.

## DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

**Title of Regulation:** Rules and Regulations Governing the Production, Packaging, Labeling, Storage, Transportation, Handling and Sale of Grade "A" Condensed and Dry Milk Products and Grade "A" Condensed and Dry Whey. (Repealed)

**Statutory Authority:** § 3.1-530.1 of the Code of Virginia.

**Public Hearing Date:** September 22, 1986 - 2 p.m.  
(See Calendar of Events section for additional information)

### Summary:

*This regulation prescribes the production, manufacture, packaging, labeling, storage transportation, handling, and sale of condensed and dry milk products and condensed and dry whey for use in commercial preparation of Grade "A" pasteurized milk products. It is being repealed because its provisions have been incorporated into VR 115-05-01, Rules and Regulations Governing the Production, Processing and Sale of Grade "A" Pasteurized Market Milk and Grade "A" Pasteurized Market Milk Products and Certain Milk Products.*

\* \* \* \* \*

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

The above regulations, published in the Virginia Register of Regulations on March 17, 1986, (Volume 2, Issue 12), are hereby WITHDRAWN.

**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.

**Written Comments By:** September 8, 1986  
(See Calendar of Events section for additional information)

### Summary:

*These regulations 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.*

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.*

*"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*

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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 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 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

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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 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, 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 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 be provided for in that:

1. Any individual, dealer, exhibitor, pet shop or



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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 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 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 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 enclosure 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;
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;

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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 § 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

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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. Be cleaned and sanitized after each use; and

12. Contain only companion animals:

a. Of the same species;

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;

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 hours;

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

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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 § 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; 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.

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

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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 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 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 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 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 2 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

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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, 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;

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.

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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.

Written Comments By: September 8, 1986  
(See Calendar of Events section for additional information)

### Summary:

New regulations are being promulgated to establish for transportation of horses. The proposed standards relate to the vehicles used to transport horses, as well as the loading and unloading of horses; their protection during transport; required food; water and exercise, the grouping of horses; and the handling of injured or physically disabled horses. The regulations apply to loads of more than six horses being transported to a commercial slaughter facility in a vehicle.

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.

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

## § 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 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 be responsible for proper care, feeding and watering of the horses; and
4. A partition shall be placed, without causing

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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, 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.

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**Title of Regulation:** VR 115-05-01. Rules and Regulations Governing the Production, Processing and Sale of Grade "A" Pasteurized Market Milk and Grade "A" Pasteurized Market Milk Products and Certain Milk Products.

**Statutory Authority:** § 3.1-530.1 of the Code of Virginia.

**Public Hearing Date:** September 22, 1986 - 2 p.m.  
(See Calendar of Events section for additional information)

### Summary:

This regulation addresses the production of Grade "A" raw milk for pasteurization and the processing and sale of Grade "A" pasteurized market milk, Grade "A" market milk products and certain products. Changes were made in 113 requirements to improve sentence structure and clarity. Other proposed amendments recognize industry laboratories for performing official tests, add provisions to clarify the requirement for clipping cows, and prescribe means for governing the production, manufacture, packaging, labeling, storage, transportation, handling and sale of condensed and dry milk products and condensed and dry whey for use in the commercial preparation of Grade "A" pasteurized milk products. Requirements for identifying cans used in transporting milk from the producer farm to the processing plant are being deleted.

### Regulation 2:

#### § 1. Definitions and standards of identity.

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

"Acidified milk and milk products" means milk and milk products obtained by the addition of food grade acids to pasteurized cream, half-and-half, milk, lowfat milk, or skim milk, resulting in a product acidity of not less than 0.50 percent % expressed as lactic acid.



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**"Acidified sour cream"** ~~results means~~ a fluid or semi-fluid cream resulting from the souring of pasteurized cream with safe and suitable acidifiers with or without addition of lactic acid-producing bacteria. Acidified sour cream contains not less than 18 percent % milkfat; except that when the food is characterized by the addition of nutritive sweeteners or bulky flavoring ingredients, the weight of the milkfat is not less than 18 percent % of the remainder obtained by subtracting the weight of such optional ingredients from the weight of the food; but in no case does the food contain less than 14.4 percent % milkfat. Acidified sour cream has a titratable acidity of not less than 0.50 percent %, calculated as lactic acid. <sup>1</sup>

**"Acidified sour half-and-half"** ~~results means~~ a fluid or semi-fluid cream resulting from the souring of pasteurized half-and-half with safe and suitable acidifiers, and with or without addition of lactic acid-producing bacteria. Acidified sour half-and-half contains not less than 10.5 percent % milkfat; except that when the food is characterized by the addition of nutritive sweeteners or bulky flavoring ingredients, the weight of milkfat is not less than 10.5 percent % of the remainder obtained by subtracting the weight of such optional ingredients from the weight of the food; but in no case does the food contain less than 8.4 percent % milkfat. Acidified sour half-and-half has a titratable acidity of not less than 0.5 percent %, calculated as lactic acid. <sup>1</sup>

**"Adulterated milk and milk products"** any milk or milk products shall be deemed to be adulterated means any milk or milk product which:

- A. 1. If it Bears or contains any poisonous or deleterious substance in a quantity which may render it injurious to health;
- B. 2. If it Bears or contains any added poisonus or deleterious substance for which no safe tolerance has been established by state or federal regulation, or in excess of such tolerance if one has been established;
- C. 3. If it Consists, in whole or in part, of any substance unfit for human consumption;
- D. 4. If it Has been produced, processed, prepared, packed, or held under insanitary conditions;
- E. 5. If its Container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health; or
- F. 6. If Any substance has been added thereto or mixed or packed therewith so as to increase its bulk or weight, or reduce its quality or strength, or make it appear better or of greater value than it is.

**"Buttermilk"** means a fluid product resulting from the manufacture of butter from milk or cream. It contains not less than 8 1/4 percent % of milk solids-not-fat. <sup>1</sup>

**"Concentrated milk"** means a fluid product, unsterilized and unsweetened, resulting from the removal of a considerable portion of the water from milk ; ~~which,~~ . When combined with potable water in accordance with instructions printed on the container, ~~results in~~ it yields a product conforming to the standards for milkfat and solids-not-fat of milk as defined above. <sup>1</sup>

**"Concentrated milk products"** ~~shall be taken to mean and to include~~ homogenized concentrated milk, vitamin D concentrated milk, concentrated skim milk, fortified concentrated skim milk, concentrated lowfat milk, fortified concentrated lowfat milk, concentrated flavored milk, concentrated flavored milk products, and similar concentrated products made from concentrated milk or concentrated skim milk . ; ~~and which,~~ When combined with potable water in accordance with according to the instructions printed on the container, they shall conform to the definitions of the corresponding milk products in these regulations.

**"Consumer"** means one that utilizes Grade "A" Market Milk, Grade "A" Market Milk Products, or Milk Products.

**"Cottage cheese"** means the soft uncured cheese which is prepared by mixing cottage cheese with pasteurized cream, or with a pasteurized mixture of cream and milk or skim milk . ; ~~and which~~ It contains not less than four percent 4% milkfat by weight and not more than eighty percent 80% moisture. <sup>1</sup>

**"Cottage cheese dry curd"** or **"dry curd cottage cheese"** means the soft uncured cheese which is prepared from the curd obtained by adding harmless, lactic acid-producing bacteria ( with or without enzymatic action ) to pasteurized skim milk or pasteurized reconstituted nonfat milk. It contains not more than eighty percent 80% moisture. <sup>1</sup>

**"Cream"** means the sweet, fatty liquid separated from milk, with or without the addition of milk or skim milk, which contains not less than 18 percent % milkfat.

**"Cultured buttermilk"** means a fluid product resulting from the souring ; ~~by lactic acid producing bacteria or similar culture, of pasteurized skim milk or pasteurized lowfat milk of pasteurized skim milk or pasteurized lowfat milk by lactic acid-producing bacteria or similar culture .~~ <sup>1</sup>

**"Cultured milk or cultured whole milk buttermilk"** means a fluid product resulting from the souring ; ~~by lactic acid producing bacteria or a similar culture, or pasteurized milk of pasteurized milk by lactic acid-producing bacterial or similar culture .~~ <sup>1</sup>

**"Dairy farm"** means any place or premises where one or more cows or goats are kept, and from which a part of all of the milk or milk product(s) products is provided, sold, or offered for sale to a milk plant, transfer station, or receiving station.

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**"Eggnog"** means a milk product consisting of a mixture of milk or milk product of at least 6.0 percent % butterfat, at least 1.0 percent % egg yolk solids, sweetener, and flavoring. Emulsifier and not over 0.5 percent % stabilizer may be added.

**"Eggnog-flavored milk"** means a milk product consisting of a mixture of at least 3.25 percent % butterfat, at least 0.5 percent % egg yolk solids, sweetener, and flavoring. Emulsifier and a maximum of 0.5 percent % stabilizer may be added.

**"Flavored milk or milk products"** shall mean means milk and milk products as defined in these Regulations to which has been added a flavor and/or sweetener has been added.

**"Fortified milk and milk products"** means milk and milk products other than Vitamin D milk and milk products, the vitamin and/or mineral content of which have been increased by a method and in an amount approved by the State Regulatory Authority.

**"Frozen milk concentrate"** means a frozen milk product with a composition of milkfat and milk solids-not-fat in such proportions that when a given volume of concentrate is mixed with a given volume of water the reconstituted product conforms to the milkfat and milk solids-not-fat requirements of whole milk. In the manufacturing process, water may be used to adjust the primary concentrate to the final desired concentration. The adjusted primary concentrate is pasteurized, packaged, and immediately frozen. This product is stored, transported, and sold in the frozen state.

**"Goat milk"** means the lacteal secretion, practically free from colostrum, obtained by the complete milking of healthy goats. The word "milk" shall be interpreted to include goat milk.

**"Grade "A" dry milk and whey products"** means milk products which have been produced for use in Grade "A" pasteurized milk products, and which have been manufactured under the provisions of the Grade "A" Condensed and Dry Milk Products and Condensed and Dry Whey - Recommended Sanitation Ordinance for Condensed and Dry Milk Products and Condensed and Dry Whey used in Grade "A" Pasteurized Milk Products.

**"Half-and-Half"** means a product consisting of a mixture of milk and cream which contains not less than 10.5 percent % milkfat.

**"Heavy cream or heavy whipping cream"** means cream which contains not less than 36 percent % milkfat.

**"Homogenized milk"** means milk which has been treated to ensure breakup of the fat globules to such an extent that, after 48-hours of quiescent undisturbed storage at 45°F, no visible cream separation occurs on the milk; and . The fat percentage of the top 100 milliliters of milk

in a quart, or of proportionate volumes in containers of other sizes, does not differ by more than 10 percent % from the fat percentage of the remaining milk as determined after thorough mixing. The word "milk" shall be interpreted to include homogenized milk.

**"Lactose-reduced milk or lactose-reduced lowfat milk or lactose-reduced skim milk"** means the product resulting from the treatment of milk, lowfat milk or skim milk by the addition of safe and suitable enzymes to convert sufficient amounts of the enough lactose to glucose and/or galactose so that the remaining lactose is less than 30 percent % of the lactose remains in the milk, lowfat milk, or skim milk.

**"Light cream, coffee cream, or table cream"** means cream which contains not less than 18 percent % but less than 30 percent % milkfat.

**"Light whipping cream"** means cream that contains not less than 30 percent % but less than 36 percent % milkfat.

**"Lowfat cottage cheese"** means the soft uncured cheese which is prepared by mixing cottage cheese with pasteurized cream, or with a pasteurized mixture of cream and; milk or skim milk . ; and which It contains not less than 0.5% nor more than 2.0% milkfat by weight, and not more than 82.5% moisture .

**"Lowfat milk"** means milk from which a sufficient portion of milkfat has been removed to produce a food having one of the following milkfat contents; 1/2, 1, 1 1/2, or 2 percent % . Vitamin A shall be present in such quantity that each quart of the food contains not less than 2,000 International Units.

**"Lowfat yogurt"** means a product resulting from the souring by specific lactic acid producing bacteria of pasteurized lowfat milk; of pasteurized lowfat milk by specific lactic acid-producing bacteria.

**"Low-sodium milk or low-sodium lowfat or low-sodium skim milk"** means the product resulting from the treatment of milk, lowfat milk, or skim milk by a process of passing the milk fluid; lowfat milk or skim milk through an ion exchange resin process, or by any other process which has been recognized by the Food and Drug Administration that effectively reduces sodium content of the product to less than 10 milligrams in 100 milliliters.

**"Market milk"** means milk which contains not less than three and twenty-five one hundredths percent 3.25% milkfat and not less than eight and twenty-five one hundredths percent 8.25% solids-not-fat when sold, offered for sale, distributed, or dispensed to the consumer for human consumption. Market Milk may be standardized.

**"Market milk products"** means cream, light cream, coffee cream, table cream, whipping cream, light whipping cream, heavy cream, heavy whipping cream, sour cream,

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acidified sour cream, half-and-half, cultured half-and-half, acidified half-and-half, reconstituted or recombined milk and milk products, concentrated milk, concentrated milk products, skim milk, low-sodium milk, low-sodium lowfat milk, low-sodium skim milk, lactose-reduced milk, lactose-reduced lowfat milk, lactose-reduced skim milk, lowfat milk, fortified milk and milk products, vitamin D milk and milk products, homogenized milk, flavored milk or milk products, eggnog flavored milk, buttermilk, cultured milk, cultured whole milk buttermilk, yogurt, lowfat yogurt, nonfat yogurt, acidified milk and milk products, cottage cheese dry curd, cottage cheese, lowfat cottage cheese, and eggnog. This definition is not intended to include such products as sterilized milk and milk products hermetically sealed in a container and so processed, either before or after sealing, as to prevent microbial spoilage, or evaporated milk, condensed milk, ice cream and other frozen desserts, butter, dry milk products (except as defined herein), or cheese, except when they are combined with other substances to produce any pasteurized milk or milk product defined herein.

**"Milk"** means the whole, fresh, clean lacteal secretion obtained by the complete milking of one or more healthy cows, excluding that obtained before and after calving, for such a period as may be necessary to render the milk practically colostrum free, which contains not less than 8 1/4 percent % milk solids-not-fat and not less than 3 1/4 percent % milkfat.

**"Milk distributor"** means any person who offers for sale or sells to another any milk or milk products.

**"Milkfat or butterfat"** means the fat of milk.

**"Milk hauler"** means any person who transports raw milk and/or raw milk products to or from a milk plant, a receiving station, or a transfer station.

**"Milk plant"** means any place, premises, or establishment where milk or milk products are collected, handled, processed, stored, pasteurized, bottled, or prepared for distribution.

**"Milk producer"** means any person who operates a dairy farm and provides, sells, or offers milk for sale to a milk plant, receiving station, or transfer station.

**"Milk products"** means whipped cream, whipped light cream, whipped coffee cream, and whipped table cream.

**"Misbranded milk and milk products"** means misbranded when:

1. Their containers bear or accompany any false or misleading written, printed, or graphic matter;
2. Such milk and milk products do not conform to their definitions as contained in these regulations ; and
3. Such products are not labeled in accordance with

## Regulation § 5.

**"Nonfat yogurt"** means a product resulting from the souring by specific lactic acid producing bacteria of pasteurized nonfat milk of pasteurized nonfat milk by specific lactic acid-producing bacteria.

**"Normal storage"** means the storage of the Grade "A" pasteurized market milk, Grade "A" pasteurized market milk products, and milk products at a temperature of 45°F or less.

**"Official laboratory"** means a biological, chemical, or physical laboratory which is operated by the State Regulatory Authority.

**"Officially designated laboratory"** means a laboratory authorized by the State Regulatory Authority to do official work.

**"Optional ingredients"** mean and means Grade "A" dry milk products, concentrated milk, concentrated milk products, flavors, sweeteners, stabilizers, emulsifiers, acidifiers, vitamins, minerals, and similar ingredients.

**"Pasteurization"** , The terms "pasteurization," "pasteurized", and similar terms shall mean the process of heating every particle of milk or milk product to at least 145°F, and holding it continuously at or above this that temperature for at least 30 minutes, or to at least 161°F, and holding it continuously at or above this temperature for at least 15 seconds, in equipment which is properly operated and approved by the State Regulatory Authority ; . Provided, that Milk products which have a higher milkfat content than milk, and/or or contain added sweeteners, shall be heated to at least 150°F, and held continuously at or above this temperature for at least 30 minutes ; ; or to at least 166°F, and held continuously at or above this temperature for at least 15 seconds . ; Provided, that Eggnog shall be heated to at least the following temperature and time specifications:

Temperature	Time
155°F	30 Minutes
175°F	25 Seconds
180°F	15 Seconds

Provided further, that nothing in this definition shall be construed as barring Any other pasteurization process which has been recognized by the U.S. Food and Drug Administration to be as being equally efficient and which is may be approved by the State Regulatory Authority.

**"Person"** The word "person" shall mean means any individual, plant operator, partnership, corporation, company, firm, trustee, or association.

**"Pull date"** means the date which is required to be affixed on the consumer package or container of Grade "A" pasteurized market milk, Grade "A" pasteurized

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market milk products, and milk products as defined in these regulations which is the date beyond the day of manufacturing and processing of packages of each product and the last day on which such product is recommended to be offered for sale to consumers under normal storage conditions.

*"Receiving station"* means any place, premises, or establishment where raw milk is received, collected, handled, stored, or cooled and prepared for further transporting.

*"Reconstituted or recombined milk and milk products"* shall mean means milk or milk products defined in these Regulations which result from the recombining of milk constituents with potable water. <sup>1</sup>

*"Sanitation"* means the application of any effective method or substance to a clean surface for the destruction of pathogens, and of other organisms as far as is practicable. Such treatment shall not adversely affect the equipment, the milk or milk product or the health of consumers, and shall be acceptable to the State Regulatory Authority.

*"Skim milk or nonfat milk"* means milk from which sufficient milkfat has been removed to reduce its milkfat content to less than 0.50 percent  $\%$ . Vitamin A shall be present in such quantity that each quart of the food contains not less than 2,000 International Units. <sup>1</sup>

*"Sour cream or cultured sour cream"* means a fluid or semi-fluid cream resulting from the souring by lactic acid-producing bacteria or similar culture, or pasteurized cream, which contains not less than 0.5 percent  $\%$  acidity expressed as lactic acid. Sour cream contains not less than 18 percent  $\%$  milkfat; except that when the food is characterized by the addition of nutritive sweeteners or bulky flavoring ingredients, the weight of the milkfat is not less than 18 percent  $\%$  of the remainder obtained by subtracting the weight of such optional ingredients from the weight of the food; but in no case does the food contain less than 14.4 percent  $\%$  milkfat. <sup>1</sup>

*"Sour Half-and-Half or cultured Half-and-Half"* means fluid or semi-fluid half-and-half derived from the souring, by lactic acid-producing bacteria or similar culture, of pasteurized half-and-half, which contains not less than 0.50 percent  $\%$  acidity expressed as lactic acid. <sup>1</sup>

*"State Regulatory Authority"* The State Regulatory Authority shall mean means the Department of Agriculture and Consumer Services or the State Health Department and its authorized representatives (§§ 3.1-530.3 and 3.1-530.4). The term ; "State Regulatory Authority" ; wherever it appears in the these regulations, shall mean the appropriate agency having jurisdiction and control over the matters embraced within these regulations.

*"Transfer station"* means any place, premises, or establishment where milk or milk products are transferred

directly from one transport tank to another.

*"Ultra-pasteurized"* , when used to describe a dairy product, means that such product shall have has been thermally processed at or above 280°F (138°C) for at least 2 two seconds, either before or after packaging, so as to produce a product which has an extended shelf life under refrigerated conditions.

*"Vitamin D milk and milk products"* means milk and milk products, the vitamin D content of which has been increased by an approved method to at least 400 International Units per quart. <sup>1</sup>

*"Whipped cream"* means whipping cream into which air or gas has been incorporated. <sup>1</sup>

*"Whipped light cream, coffee cream, or table cream"* means light cream, coffee cream, or table cream into which air or gas has been incorporated. <sup>1</sup>

*"Whipping cream"* means cream which contains not less than 30 percent  $\%$  milkfat.

*"Yogurt"* means a product resulting from the souring by specific lactic acid producing bacteria of pasteurized milk. of pasteurized milk by specific lactic acid-producing bacteria. <sup>1</sup>

<sup>1</sup> Optional ingredients as defined in Regulation § 1. definition 46 may be used in this product .

Regulation 1-

§ 2. Intent, scope, and interpretation.

A. The Virginia State Board of Agriculture and Consumer Services hereby finds and declares that a uniform regulation is needed to govern the production, processing, labeling, and distribution of Grade "A" Market Milk, Grade "A" Market Milk Products, and certain Milk Products within the Commonwealth of Virginia. This regulation relating to Grade "A" Market Milk, Grade "A" Market Milk Products, and certain Milk Products such products shall be applicable throughout the Commonwealth of Virginia and shall be enforced on a statewide basis.

Products produced, processed or manufactured in accordance with under the provision of these regulations may be sold in all counties, cities and towns in this State within this Commonwealth ; . and They shall not be subject to regulation ; by ordinance or otherwise, to supervision, or to inspection of by any political subdivision wherein the products are produced, processed, manufactured or sold .

B. No regulation shall be adopted and construed so as to prohibit the sale within the State of any product which is produced outside of the State under laws or regulations of the exporting state or political subdivision thereof which are substantially equivalent to these regulations, and which

# Proposed Regulations

are enforced with equal effectiveness in the opinion of the Virginia State Department of Agriculture and Consumer Services and/or State Health Department. No regulation shall be adopted or construed to prohibit the sale of any imported dairy product within this Commonwealth, if the laws and regulations of the exporting state or political subdivision thereof are substantially the same as these regulations, and if they are enforced with equal effectiveness as determined by the Virginia Department of Agriculture and Consumer Services or the State Health Department.

C. Unless otherwise provided by state law or regulations of the Virginia State Board of Agriculture and Consumer Services these regulations shall be interpreted and enforced where applicable in accordance with the Administrative Procedures contained in the Grade "A" Pasteurized Milk Ordinance - 1978, Recommendations of the United States Public Health Service and the Food and Drug Administration, 1070 1978 Edition (1985 Revision) ; . A certified copy of which shall be on file in the office of the Dairy Inspection Program of the Virginia State Department of Agriculture and Consumer Services.

D. These regulations define milk and certain milk products, milk producers, pasteurization, etc.; prohibit the sale of adulterated and misbranded market milk, market milk products, and certain milk products; require permits for the sale of market milk, market milk products, and certain milk products; regulate the inspection of dairy farms and milk plants, and the examination, labeling pasteurization, distribution and sale of milk and milk products; provide for the construction of future dairy farms and milk plants, the enforcement of these regulations, and the fixing of penalties.

<sup>a</sup> February 31, 1973, Amended  
Effective October 1, 1973

## Regulation 3.

### § 3. Adulterated or misbranded milk or milk products.

A. No person shall, within the Commonwealth of Virginia ; or its police jurisdiction shall produce, provide, sell, offer, or expose for sale , or have in possession with intent to sell , any milk, market milk, market milk product or other milk product which is adulterated or misbranded ; Provided, that . However, in an emergency, the sale of pasteurized milk and milk products which have not been graded, or the grade of which is unknown, may be authorized by the State Regulatory Authority ; . In which this case , such products shall be labeled "ungraded."

B. Any adulterated or misbranded milk, market milk, market milk product or other milk product may be impounded by the State Regulatory Authority and disposed of in accordance with applicable laws or regulations.

## Regulation 4.

### § 4. Permits.

A. It shall be unlawful for any person who does not possess a permit from the State Regulatory Authority of the Commonwealth of Virginia or its police jurisdiction, for sale, or to sell, or offer for sale therein, or to have in storage , milk, market milk, market milk product or milk product defined in these regulations; provided, that grocery stores, restaurants, soda fountains, and similar establishments where milk, market milk, market milk products, or milk products are served or sold at retail, but not processed, may be exempt from the requirements of these regulations.

B. Only a person who complies with the requirements of these regulations shall be entitled to receive and retain such a permit. Permits shall not be transferable with respect to persons and/or locations.

C. The State Regulatory Authority shall suspend such permit whenever:

1. It has reason to believe that a public health hazard exists; or
2. The permit holder has violated any of the requirements of these regulations; or
3. The permit holder has interfered with the State Regulatory Authority in the performance of its duties.

D. The State Regulatory Authority shall, in all cases except where the milk, market milk, market milk product, or milk product involved creates, or appears to create, an imminent hazard to the public health; or in any case of a willful refusal to permit authorized inspection, serve upon the holder a written notice of intent to suspend permit, which notice shall specify with particularity the violations in question and afford the holder such reasonable opportunity to correct such violations as may be agreed to by the parties, or in the absence of agreement, fixed by the State Regulatory Authority, before making any order of suspension effective. A suspension of permit shall remain in effect until the violation has been corrected to the satisfaction of the State Regulatory Authority.

E. Upon written application of any person whose permit has been suspended, or upon application within 48 hours of any person who has been served with a notice of intention to suspend, and in the latter case before suspension, the State Regulatory Authority shall within 72 hours proceed to a hearing to ascertain the facts of such violation or interference and upon evidence presented at such hearing shall affirm, modify, or rescind the suspension or intention to suspend.

F. Upon repeated violations, the State Regulatory Authority may revoke such permit following reasonable notice to the permit holder and an opportunity for a hearing. This regulation is not intended to preclude the institution of court action as provided in Regulations §§ 6

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and 7.

## Regulation 6:

### § 5. Labeling.

A. Except for nutrition labeling, all bottles, containers, and packages enclosing milk, market milk, market milk products, or milk products defined in Regulation § 1 shall be labeled in accordance with the applicable requirements of the Federal Food, Drug and Cosmetic Act, as amended, the Fair Packaging and Labeling Act, and regulations developed thereunder, and in addition, shall comply with the applicable requirements of this section as follows:

B. All bottles, containers, and packages enclosing milk, market milk, market milk products or milk products defined in Regulation § 1 shall be conspicuously labeled or marked with:

1. The name of the contents as given in the definition of this regulation, except the word "market" need not appear;
2. The word "reconstituted" or "recombined" is made by reconstitution or recombination;
3. The grade of the contents;
4. The identity of the plant where pasteurized;
5. The word "raw" if the contents are raw and the name or other identity of the producer;
6. The volume or proportion of water to be added for recombining in the case of concentrated milk or milk products : ~~Provided, that~~ *However,*

~~(a): Only the identity of the milk producer shall be required on cans delivered to a milk plant which receives only Grade "A" raw milk for pasteurization, and which immediately dumps, washes, and returns the cans to the milk producer;~~

~~(b): The identity of both milk producer and the grade shall be required on cans delivered to a milk plant which receives both Grade "A" raw milk for pasteurization and ungraded raw milk, and which immediately dumps, washes, and returns the cans to the producer;~~

~~(c): a. In the case of concentrated milk products, the specific name of the product shall be substituted for the generic term "concentrated milk products", e.g. "homogenized concentrated milk", "concentrated skim milk", "concentrated chocolate milk", "concentrated chocolate flavored lowfat milk";~~

~~(d): b. In the case of flavored milk or flavored reconstituted milk, the name of the principal flavor shall be substituted for the word "flavored"; and~~

~~(e): c. In the case of cultured milk and milk products, the special type of culture used may be substituted for the word "cultured"; e.g., "acidophilus buttermilk", "bulgarian buttermilk", and "yogurt".~~

C. All vehicles and transport tanks containing milk, market milk, or market milk products and certain milk products shall be legibly marked with the name of the milk plant or hauler in possession of the contents.

D. Tanks transporting raw milk and milk products to a milk plant from sources of supply not under the routine supervision of the State Regulatory Authority are required to be marked with the name and address of the milk plant or hauler and shall be sealed; in addition, for each such shipment, a shipping statement shall be prepared containing at least the following information:

1. Shipper's name, address, and permit number.
2. Permit number of hauler, if not employee of shipper.
3. Point of origin of shipment.
4. Tanker identity number.
5. Name of product.
6. Weight of product.
7. Grade of product.
8. Temperature of product.
9. Date of shipment.
10. Name of supervising regulatory authority at the point of origin.
11. Whether the contents are raw, pasteurized, or otherwise heat treated.

E. ~~Such~~ *This* statement shall be prepared in triplicate and shall be kept on file by the shipper, the consignee, and the carrier for a period of six months for the information of the State Regulatory Authority.

F. The labeling information which is required on all bottles, containers, or packages of milk or milk products shall be in letters of an acceptable size, kind, and color satisfactory to the State Regulatory Authority, and shall contain no marks or words which are misleading.

G. The "Pull Date" shall appear ~~in such form as to be~~ conspicuous, legible, and commonly understandable, and shall not interfere with the legibility of other mandatory labeling requirements of the product. Cup containers may be labeled with the date on the bottom.

H. The "Pull Date" shall be expressed by the first three

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letters of the month followed by or preceded by the numeral or numerals constituting the appropriate calendar date, or expressed numerically by the number of the month preceding the number of the day. For example : , June 1 shall be expressed "JUN 1", "1 JUN", "06 01", or "06-01".

I. The provisions of this regulation pertaining to pull dates shall not apply to Grade "A" Pasteurized Market Milk and Grade "A" Pasteurized Market Milk Products bottled in glass containers for home delivery.

J. Each processor or distributor manufacturing, processing or packaging of products defined in this regulation for sale within the Commonwealth of Virginia shall file and certify with the State Regulatory Authority the maximum number of days after manufacturing or processing which will be used to determine the "Pull Date". The "Pull Date" shall allow be determined so as to provide for the product to be capable of meeting meet standards set forth in these regulations for a reasonable period of time subsequent to following the "Pull Date", under normal storage conditions.

K. No person shall sell or offer for sale any Grade "A" Pasteurized Market Milk, Grade "A" Pasteurized Market Milk Products, and Milk Products in consumer packages that do not bear the "Pull Date" as defined and required by these regulations .

L. This regulation does not apply to containers of Grade "A" Pasteurized Market Milk, Grade "A" Market Milk Products, and Milk Products which are not to be sold in the Commonwealth of Virginia.

\*February 21, 1973, Amendment  
Effective October 1, 1973

## Regulation 6.

### § 6. Inspection of dairy farms and milk plants.

A. Each dairy farm, milk plant, receiving station, and transfer station whose milk, market milk, market milk products, or milk products are intended for consumption within the Commonwealth of Virginia state ; or its police jurisdiction shall be inspected by the State Regulatory Authority prior to the issuance of a permit before a permit is issued . Following the issuance of a permit, each dairy farm shall be inspected at least once every three months; and each milk plant, transfer station, and receiving station shall be inspected every month. Should the violation of any requirement set forth in Regulation § 8 be found , to exist on an inspection a second inspection shall be required after the time deemed necessary to remedy the violation, but not before three days ; have passed. This second inspection shall be used to determine compliance with the requirements of Regulation § 8. Any violation of the same requirement of Regulation § 8 on such the second inspection shall call for permit suspension in accordance with Regulation § 4 , and/ or court action ,

or both.

B. One copy of the inspection report shall be handed to the operator, or other responsible person, or be posted in a conspicuous place on an inside wall of the establishment. Said The inspection report shall not be defaced and shall be made available to the State Regulatory Authority upon request. An identical copy of the inspection report shall be filed with the records of the State Regulatory Authority. Every milk producer, hauler, distributor, or plant operator shall, upon request of the State Regulatory Authority, permit access of officially designated persons to all parts of his establishment or facilities to determine compliance with the provisions of the regulation. A distributor or plant operator shall furnish the State Regulatory Authority, upon request, for official use only a true statement of the actual quantities of milk, market milk, market milk products, and milk products of each grade purchased and sold, and a list of all sources of such milk, market milk, market milk products, and milk products, records of inspections, tests, and pasteurization time and temperature records.

C. It shall be unlawful for any person who in an official capacity to obtain any information under the provisions of these regulations which is entitled to protection as a trade secret (including information as to quantity, quality, source, or disposition of milk, market milk, market milk products or milk products, or results on inspection of tests thereof) to use such information to his own advantage or to reveal it to any unauthorized person.

## Regulation 7.

### § 7. The examination of milk and milk products.

A. During any consecutive six months, at least four samples of raw milk for pasteurization shall be taken from each producer and four samples of raw milk for pasteurization shall be taken from each milk plant after receipt of the milk by the milk plant and prior to pasteurization. In addition, during any consecutive six months, at least four samples of pasteurized market milk and at least four samples of each market milk product and milk product defined in these regulations shall be taken from every milk plant. Samples of milk, market milk, market milk products, and milk products shall be taken while in possession of the producer or distributor at any time prior to final delivery. Samples of market milk, market milk products, and milk products from dairy retail stores, food service establishments, grocery stores, and other places where market milk, market milk products, and milk products are sold shall be examined periodically as determined by the State Regulatory Authority; and the results of such examination shall be used to determine compliance with Regulations §§ 3, 5, 8, and 11. Proprietors of such establishments shall furnish the State Regulatory Authority, upon its request, with the names of all distributors from whom market milk, market milk products, and milk products are obtained.

B. Required bacterial counts, somatic cell counts, and

# Proposed Regulations

cooling temperature checks shall be performed on raw milk or pasteurization. In addition, antibiotic tests on each producer's milk or on commingled raw milk shall be conducted at least four times during any consecutive six months. When commingled milk is tested, all producers shall be represented in the sample. All individual sources of milk shall be tested when test results on the commingled milk are positive. Required bacterial count, coliform determinations, phosphatase, and cooling temperature checks shall be performed on pasteurized market milk, market milk products, and milk products.

C. Whenever two of the last four consecutive bacteria counts, somatic cell counts, coliform determinations, or cooling temperatures, taken on separate days, exceed the limit of the standard for the milk, market milk, market milk products, and milk products, the State Regulatory Authority shall send a written notice thereof to the person concerned. This notice shall be in effect so long as two of the last four consecutive samples exceed the limit of the standard. An additional sample shall be taken within 21 days of the sending of such notice, but not before the lapse of three days. Immediate suspension of permit in accordance with Regulation § 4 and/or court action, or both, shall be instituted whenever the standard is violated by three of the last five bacteria counts, somatic cell counts, coliform determinations, or cooling temperatures.

D. Whenever a phosphatase is positive, the cause shall be determined. Where the cause is improper pasteurization, it shall be corrected; and any market milk, market milk products, or milk products involved shall not be offered for sale.

E. Whenever an antibiotic or pesticide residue test is positive, an investigation shall be made to determine the cause, and the cause shall be corrected. An additional sample shall be taken and tested for antibiotic or pesticide residues and no milk shall be offered for sale until it is shown by a subsequent sample to be free of antibiotic or pesticide residues, or below the actionable levels established for such residues. Samples shall be analyzed at an official laboratory or an officially designated laboratory. All sampling procedures and required laboratory examinations shall be in substantial compliance with the latest Edition of Standard Methods for the Examination of Dairy Products of the American Public Health Association, and the latest Edition of Official Methods of Analyses of the Association of Official Analytical Chemists, and other sampling and testing procedures as approved by the State Regulatory Authority. Such procedures and examinations shall be evaluated in accordance with the methods of evaluating milk laboratories recommended by the United States Public Health Service. Examinations and tests shall be conducted to detect adulterants, including pesticides, as the State Regulatory Authority shall require. Assays of vitamin D market milk or market milk products or milk products and/or fortified market milk, market milk products, or milk products shall be made at least annually in a laboratory acceptable to the State Regulatory Authority. The cost of such assays shall be paid for by the

seller or distributor.

## § 8. Standards for milk, market milk, market milk products, and milk products.

All Grade "A" raw milk for pasteurization and all Grade "A" pasteurized market milk and market milk products and all milk products shall be produced, processed, and pasteurized to conform with the following chemical, bacteriological, somatic cell, and temperature standards, and the sanitation requirements of these regulations. No process or manipulation other than pasteurization, processing methods integral therewith, and appropriate refrigeration shall be applied to milk, market milk, market milk products, and milk products for the purpose of removing or deactivating microorganisms. Provided, that in the bulk shipment of raw cream, skim milk, or lowfat milk, the heating of the raw milk to temperatures no greater than 125°F for separation purposes is permitted when the resulting bulk shipments of cream, skim milk, and lowfat milk are labeled heat treated.

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Chemical, Bacteriological, Somatic Cell, and Temperature Standards for Grade "A" Milk, Market Milk, Market Milk Products, and Milk Products

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Grade "A" Raw Milk for Pasteurization

Temperature	Cooled to 45°F or less within two hours after milking, provided that the blend temperature after the first and subsequent milking does not exceed 50°F.
Bacterial Limits	Individual producer milk not to exceed 100,000 per ml. prior to commingling with other producer milk.  Not exceeding 300,000 per ml. as commingled milk prior to pasteurization.
Antibiotics	Individual producer milk: no detectable zone with the <i>Bacillus subtilis</i> method or equivalent.  Commingled milk: no detectable zone by the <i>Sarcina lutea</i> Cylinder Plate Method or equivalent.
Somatic Cell	Individual producer milk



# Proposed Regulations

Limits not to exceed 1,500,000 per ml. prior to commingling with other producer milk.

NOTICE: The amount was reduced to 1,000,000 after a public hearing held by the board on May 22, 1986.

## Grade "A" Pasteurized Milk, Market Milk Products, and Milk Products

Temperature Cooled to 45°F or less and maintained thereat.

Bacterial Limits\* Milk and milk products 20,000 per ml.

Coliform Limit Not exceeding 10 per ml: Provided, in the case of bulk milk transport tank shipments, shall not exceed 100 per ml.

Phosphatase Less than lug per ml., by Scharer Rapid Method (or equivalent by other means).

Antibiotics No detectable zone by the Sarcina lutea Cylinder Plate Method or equivalent.

\* Not applicable to cultured products.

## Sanitation Requirements for Grade "A" Raw Milk for Pasteurization

### Item 1r. Abnormal milk.

Cows which show evidence of the secretion of abnormal milk in one or more quarters based upon bacteriological, chemical, or physical examination, shall be milked last or with separate equipment, and the milk shall be discarded. Cows treated with, or cows which have consumed chemical, medicinal, or radioactive agents which are capable of being secreted in the milk and which, in the judgment of the State Regulatory Authority, may be deleterious to human health, shall be milked last or with separate equipment, and the milk disposed of as the State Regulatory Authority may direct.

### Item 2r. Milking barn, stable, or parlor - construction.

A milking barn, stable, or parlor shall be provided on all dairy farms in which the milking herd shall be housed during milking time operations. The areas used for milking

purposes shall:

A. Have floors constructed of concrete or equally impervious material;

B. Have walls and ceilings which are smooth, painted, or finished in approved manner, in good repair, ceiling dust tight;

C. Have separate stalls or pens for horses, calves, and bulls;

D. ~~Be provided with~~ Have natural ~~and/~~ or artificial light, well distributed for day ~~and/~~ or night milking;

E. ~~Provide~~ Have sufficient airspace and air circulation to prevent condensation and excessive odors;

F. Have dust-tight covered boxes or bins, or separate storage facilities for ground, chopped, or concentrated feed; and

G. Not be over-crowded.

### Item 3r. Milking barn, stable, or parlor - cleanliness.

The interior shall be kept clean. Floors, walls, windows, pipelines, and equipment shall be free of filth ~~and/~~ or litter and shall be clean. Swine and fowl shall be kept out of the milking barn.

### Item 4r. Cowyard.

The cowyard shall be graded and drained and shall have no standing pools of water or accumulations of organic wastes: Provided, that in loafing or cattle-housing areas, cow droppings, and soiled bedding shall be removed, or clean bedding added, at sufficiently frequent intervals to prevent the soiling of the cow's udder and flanks. Waste feed shall not be allowed to accumulate. Manure packs shall be properly drained and shall provide a reasonable firm footing. Swine shall be kept out of the cowyard.

### Item 5r. Milkhouse or room - construction and facilities.

A milkhouse or room of sufficient size shall be provided, in which the cooling, handling, and storing of milk and the washing, sanitizing, and storing of milk containers and utensils shall be conducted.

The milkhouse shall be provided with a smooth floor constructed of concrete or equally impervious material graded to drain and maintained in good repair. Liquid waste shall be disposed of in a sanitary manner; all floor drains shall be accessible and shall be trapped if connected to a sanitary sewer system.

The walls and ceilings shall be constructed of smooth material, in good repair, well painted, or finished in an equally suitable manner.

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The milkhouse shall have adequate natural and/or artificial light and be well ventilated.

The milkhouse shall be used for no other purpose than milkhouse operations; there shall be no direct opening into any barn, stable, or into a room used for domestic purposes: Provided, that a direct opening between the milkhouse and milking barn, stable, or parlor is permitted when a tight fitting self-closing solid door hinged to be single or double acting is provided.

Water under pressure shall be piped into the milkhouse.

The milkhouse shall be equipped with a two-compartment wash vat and adequate hot water heating facilities.

When a transportation tank is used for the cooling and storage of milk on the dairy farm, such tank shall be provided with a suitable shelter for the receipt of milk. Such shelter shall be adjacent to, but not a part of, the milkroom and shall comply with the requirements of the milkroom with respect to construction, light, drainage, insect and rodent control, and general maintenance.

## Item 6r. Milkhouse or room - cleanliness.

The floors, walls, ceilings, windows, tables, shelves, cabinets, wash vats, nonproduct contact surfaces of milk containers, utensils, and equipment, and other milkroom equipment shall be clean. Only articles directly related to milkroom activities shall be permitted in the milkroom. The milkroom shall be free of trash, animals, and fowl.

## Item 7r. Toilet

Every dairy farm shall be provided with one or more toilets, conveniently located and properly constructed, operated, and maintained in a sanitary manner. The waste shall be inaccessible to flies and shall not pollute the soil surface or contaminate any water supply.

## Item 8r. Water supply.

Water milkhouse and milking operations shall be from a supply properly located, protected, and operated, and shall be easily accessible, adequate, and of a safe, sanitary quality.

## Item 9r. Utensils and equipment - construction.

All multiuse containers, equipment, and utensils used in the handling, storage, or transportation of milk shall be made of smooth, nonabsorbent, corrosion-resistant, nontoxic materials, and shall be so constructed as to be easily cleaned. All containers, utensils, and equipment shall be in good repair. All milk pails used for hand milking and stripping shall be seamless and of the hooded type. Multiple-use woven material shall not be used for straining milk. All single-service articles shall have been manufactured, packaged, transported, stored, and handled

in a sanitary manner and shall comply with the applicable requirements of Item 11p of these regulations. Articles intended for single-service use shall not be reused.

Farm holding/cooling tanks, welded sanitary piping and transportation tanks shall comply with the applicable requirements of Item 10p, and 11p of these regulations.

## Item 10r. Utensils and equipment - cleaning.

The product-contact surfaces of all multiuse containers, equipment, and utensils used in the handling, storage, or transportation of milk shall be cleaned after each usage.

## Item 11r. Utensils and equipment - sanitization.

The product-contact surfaces of all multiuse containers, equipment, and utensils used in the handling, storage, or transportation of milk shall be sanitized before each usage.

## Item 12r. Utensils and equipment - storage.

All containers, utensils, and equipment used in the handling, storage, or transportation of milk, unless stored in sanitizing solutions, shall be stored to assure complete drainage, and shall be protected from contamination prior to use: Provided, that milk pipelines and pipeline milking equipment such as milker claws, inflations, weight jars, meters, milk hoses, milk receivers, and milk pumps which are designed for mechanical cleaning may be stored in the milking barn or parlor provided this equipment is designed, installed, and operated to protect the product and solution contact surfaces from contamination at all times.

## Item 13r. Utensils and equipment - handling.

After sanitization, all containers, utensils, and equipment shall be handled in such manner as to prevent contamination of any product-contact surface.

## Item 14r. Milking - flanks, udders, and teats.

Milking shall be done in the milk barn, stable, or parlor. The flanks, udders, bellies, and tails of all milking cows shall be *clipped as often as necessary to facilitate cleaning of these areas and shall be free from visible dirt. The hair on the udders shall be of such length that it is not incorporated with the teat in the inflation during milking.* All brushing shall be completed prior to milking. The udders and teats of all milking cows shall be cleaned and treated with a sanitizing solution just prior to the time of milking, and shall be relatively dry before milking. Wet hand milking is prohibited.

## Item 15r. Milking - surcingles, milk stools, and antikickers.

Surcingles, milk stools, and antikickers shall be kept clean and stored above the floor.

## Item 16r. Milking - transfer and protection of milk.

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Each pail or container of milk shall be transferred immediately from the milking barn, stable, or parlor to the milkhouse. No milk shall be strained, poured, transferred, or stored unless it is properly protected from contamination.

## Item 17r. Personnel - hand-washing facilities.

There shall be provided adequate hand-washing facilities, including running water, soap or detergent, and individual sanitary towels, convenient to the milkhouse, milking barn, stable, parlor, or flush toilet.

## Item 18r. Personnel-cleanliness.

Hands shall be washed clean and dried with an individual sanitary towel immediately before milking, before performing any milkhouse function, and immediately after the interruption of any of these activities. Milkers and milk haulers shall wear clean outer garments while milking or handling milk, milk containers, utensils, or equipment.

## Item 19r. Cooling.

Raw milk for pasteurization shall be cooled to 45°F or less within two hours after milking. Provided that the blend temperature after the first milking and subsequent milkings does not exceed 50°F.

## Item 20r. Vehicles.

Vehicles used to transport milk in cans from the dairy farm to the milk plant or receiving station shall be constructed and operated to protect their contents from sun, freezing, and contamination. Such vehicles shall be kept clean, inside and out; and no substance capable of contaminating milk shall be transported with milk.

## Item 21r. Insect and rodent control.

Effective measures shall be taken to prevent the contamination of milk, containers, equipment, and utensils by insects and rodents, and be chemicals used to control such vermin. Milkrooms shall be free of insects and rodents. Surroundings shall be kept neat, clean, and free of conditions which might harbor or be conducive to the breeding of insects and rodents.

### Sanitation Requirements for Grade "A" Pasteurized Market Milk, Grade "A" Market Milk Products, and Milk Products

A receiving station shall comply with Items 1p through 15p, inclusive, and 17p, 20p, and 22p, except that the partitioning requirement of Item 5p shall not apply. A transfer station shall comply with Items 1p, 4p, 6p, 7p, 8p, 9p, 10p, 11p, 12p, 14p, 15p, 20p, and 22p; and as climatic and operating conditions require, the applicable provisions of Items 2p and 3p; provided, that in every case, overhead protection shall be provided. Facilities for the cleaning

and sanitizing of bulk transport tanks shall comply with Items 1p, 4p, 6p, 7p, 8p, 9p, 10p, 11p, 12p, 14p, 15p, 20p, and 22p; and as climatic and operating conditions require, the applicable provisions of Items 2p and 3p; provided, that in every case, overhead protection shall be provided.

## Item 1p. Floors - construction.

The floors of all rooms in which milk or milk products are processed, handled, or stored, or in which milk containers, equipment, and utensils are washed, shall be constructed of concrete or other equally impervious and easily cleaned material; and shall be smooth, properly sloped, provided with trapped drains, kept in good repair; provided, that cold-storage rooms used for storing milk and milk products need not be provided with floor drains when the floors are sloped to drain to one or more exits: provided further, storage rooms for storing dry ingredients and/or packaging materials need not be provided with drains; and the floors may be constructed of tightly joined wood.

## Item 2p. Walls and ceilings - construction.

Walls and ceilings of rooms in which milk or milk products are handled, processed, or stored, or in which milk containers, utensils, and equipment are washed, shall have a smooth, washable, light-colored surface, in good repair.

## Item 3p. Doors and windows.

Effective means shall be provided to prevent the access of flies and rodents. All openings to the outside shall have solid doors or glazed windows which shall be closed during dusty weather.

## Item 4p. Lighting and ventilation.

All rooms in which milk or milk products are handled, processed, or stored and/or in which milk containers, equipment, and utensils are washed shall be well lighted and well ventilated.

## Item 5p. Separate rooms.

There shall be separate rooms for:

- A. Pasteurizing, processing, cooling, and packaging;
- B. Cleaning of milk cans, bottles, and cases.

In addition, plants receiving milk in bulk transport tanks shall provide for cleaning and sanitizing facilities.

Unless all milk and milk products are received in bulk transport tanks, a receiving room, separate from rooms A and B above, shall be required. Rooms in which milk or milk products are handled, processed, or stored, or in which milk containers, utensils, and equipment are washed or stored, shall not open directly into any stable

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or any room used for domestic purposes.

## Item 6p. Toilet-sewage disposal facilities.

Every milk plant shall be provided with toilet facilities conforming with the regulations of the Commonwealth of Virginia. Toilet rooms shall not open directly into any room in which milk and/or milk products are processed. Toilet rooms shall be completely enclosed and shall have tight-fitting, self closing doors. Dressing rooms, toilet room, and fixtures shall be kept in a clean condition, in good repair, and shall be well ventilated and well lighted. Sewage and other liquid wastes shall be disposed of in a sanitary manner.

## Item 7p. Water supply.

Water for milk plant purposes shall be from a supply properly located, protected, and operated, and shall be easily accessible, adequate, and of a safe, sanitary quality.

## Item 8p. Hand-washing facilities.

Convenient hand-washing facilities shall be provided, including hot and cold and/or warm running water, soap, and individual sanitary towels or other approved hand-drying devices. Hand-washing facilities shall be kept in a clean condition and in good repair.

## Item 9p. Milk plant cleanliness.

All rooms in which milk and milk products are handled, processed, or stored, and/or in which containers, utensils, or equipment are washed or stored, shall be kept clean, neat, and free of evidence of insects and rodents. Pesticides shall be safely used. Only equipment directly related to processing operations or to the handling of containers, utensils, and equipment, shall be permitted in the pasteurizing, processing, cooling, packaging, and bulk milk storage rooms.

## Item 10p. Sanitary piping.

All sanitary piping, fitting, and connections which are exposed to milk or milk products, or from which liquids may drip, drain, or be drawn into milk or milk products, shall consist of smooth, impervious corrosion-resistant, nontoxic, easily cleanable material. All piping shall be in good repair. Pasteurized milk and milk products shall be conducted from one piece of equipment to another only through sanitary piping: provided, that cottage cheese, cheese dressings, or cheese ingredients may be transported by other methods which protect the product from contamination.

## Item 11p. Construction and repair of containers and equipment.

All multiuse containers and equipment with which milk or milk products come into contact shall be of smooth, impervious, corrosion-resistant, nontoxic material; shall be

constructed for ease of cleaning; and shall be kept in good repair. All single-service containers, closures, gaskets and other articles with which milk or milk products come in contact shall be nontoxic, and shall have been manufactured, packaged, transported, and handled in a sanitary manner. Articles intended for single-service use shall not be reused.

## Item 12p. Cleaning and sanitizing of containers.

The product-contact surfaces of all multiuse containers, utensils and equipment used in the transportation, processing, handling, and storage of milk or milk products shall be effectively cleaned and shall be sanitized before each use.

## Item 13p. Storage of cleaned containers and equipment.

After cleaning, all multiuse milk or milk products containers, utensils, and equipment shall be transported and stored to assure complete drainage, and shall be protected from contamination before use.

## Item 14p. Storage of single-service containers, utensils, and materials.

Single-service caps, cap stock, parchment paper, containers, gaskets, and other single-service articles for use in contact with milk and milk products shall be purchased and stored in sanitary tubes, wrappings, or carton; shall be kept therein in a clean, dry place until used; and shall be handled in a sanitary manner.

## Item 15p. Protection from contamination.

Milk plant operations, equipment, and facilities shall be located and conducted to prevent any contamination of milk or milk products, ingredients, equipment, containers, and utensils. All milk and milk products or ingredients which have been spilled, overflowed, or leaked shall be discarded. The processing or handling of products other than milk and milk products in the pasteurization plant shall be performed to preclude the contamination of such milk and milk products.

## Item 16 p. Pasteurization.

Pasteurization shall be performed as defined in Regulation H § 1, Definition 47 PP of these regulations.

## Item 17p. Cooling of milk.

All raw milk and milk products shall be maintained at 45°F or less until processed. All pasteurized milk and milk products, except those to be cultured, shall be cooled immediately prior to filling or packaging in approved equipment to a temperature of 45°F or less. All pasteurized milk and milk products shall be stored at a temperature of 45°F or less. Every room or tank in which milk or milk products are stored shall be equipped with an accurate thermometer.

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## Item 18p. Bottling and packaging.

Bottling and packaging of milk and milk products shall be done at the place of pasteurization in approved mechanical equipment: provided, that cottage cheese, dry curd cottage cheese, and lowfat cottage cheese may be transported in sealed containers in a protected, sanitary manner from one plant to another for creaming and/or packaging.

## Item 18p. Capping.

Capping or closing of milk and milk product containers shall be done in a sanitary manner by approved mechanical capping and/or closing equipment. The cap or closure shall protect the pouring lip to at least its largest diameter and, with respect to fluid product containers, removal cannot be made without detection.

## Item 20p. Personnel - cleanliness.

Hands shall be thoroughly washed before commencing plant functions and as often as may be required to remove soil and contamination. No employee shall resume work after visiting the toilet room without thoroughly washing his hands. All persons, while engaged in the processing, pasteurization, handling, storage, or transportation of milk, milk products, containers, equipment and utensils shall wear clean outer garments. All persons, while engaged in the processing of milk or milk products shall wear adequate hair coverings and shall not use tobacco.

## Item 21 p. Vehicles.

All vehicles used for transportation of pasteurized milk and milk products shall be constructed and operated so that the milk and milk products are maintained at 45°F or less, and are protected from sun, from freezing, and from contamination.

## Item 22p. Surroundings.

Milk plant surroundings shall be kept neat, clean, and free from conditions which might attract or harbor flies, other insects, and rodents, or which otherwise constitute a nuisance.

## Regulation 9.

### § 9. Animal health.

A. All milk for pasteurization shall be from herds which are located in Modified Accredited Tuberculosis Area as determined by the U.S. Department of Agriculture: provided, that herds located in an area that fails to maintain such accredited statute shall have been accredited by said Department as tuberculosis-free, or shall have passed an annual tuberculosis test.

B. All milk for pasteurization shall be from herds under

a brucellosis eradication program which meets one of the following conditions:

1. Located in a Certified Brucellosis-Free Area as defined by the United States Department of Agriculture and enrolled in the testing program for such areas; or
2. Located in a Modified Certified Brucellosis Area as defined by the United State Department of Agriculture and enrolled in the testing program for such areas; or
3. Meeting United States Department of Agriculture requirements for an individually certified herd; or
4. Participating in a milk ring testing program which is conducted on a continuing basis at intervals of not less than every three months or more than every six months with individual blood tests on all animals in herds showing suspicious reactions to the milk ring test; or
5. Have an individual blood agglutination test annually with an allowable maximum grade period not exceeding two months.

C. For diseases other than brucellosis and tuberculosis, the State Regulatory Authority shall require such physical, chemical, or bacteriological, or other tests as it deems necessary. The diagnosis of other diseases in dairy cattle shall be based upon the findings of a licensed veterinarian or a veterinarian in the employ of an official agency. Any diseased animal disclosed by such test(s) tests shall be disposed of as the State Regulatory Authority directs.

## Regulation 10.

§10. Market milk, market milk products, and milk products which may be sold.

From and after the date these regulations are effective, only Grade "A" pasteurized market milk, Grade "A" pasteurized market milk products, and milk products as defined in these regulations shall be sold to the final consumer, or to restaurants, soda fountains, grocery stores, or similar establishment: provided, that in an emergency, the sale of pasteurized market milk and market milk products which have not been graded, or the grade of which is unknown, may be authorized by the State Regulatory Authority; in which cases, such market milk and market milk products shall be labeled "ungraded".

## Regulation 11.

§ 11. Transferring; delivery containers; cooling.

A. Except as permitted in these regulations, no milk producer or distributor shall transfer milk or milk products from one container or tank truck to another on the street, in any vehicle, store, or in any place except a milk plant, receiving station, transfer station, or milkhouse

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especially used for that purpose. The dipping or lading of milk or fluid milk products is prohibited.

B. It shall be unlawful to sell or serve any milk or fluid milk product except in the individual, original container received from the distributor, or from an approved bulk dispenser: provided, that this requirement shall not apply to milk for mixed drinks requiring less than one-half pint of milk, or to cream, whipped cream, or half-and-half which is consumed on the premises and which may be served from the original container or not more than one-half gallon capacity, or from a bulk dispenser approved for such service by the State Regulatory Authority.

C. It shall be unlawful to sell or serve any pasteurized milk or milk product which has not been maintained at a temperature of 45°F or less. If containers of pasteurized milk or milk products are stored in ice, the storage container shall be properly drained.

## Regulation 12.

§12. Milk, market milk, market milk products, and milk products from points beyond the limits of routine inspection.

Milk, market milk, market milk products, and milk products from points beyond the limits of routine inspection of the Commonwealth of Virginia, or its police jurisdiction may be sold in Virginia, or its police jurisdiction, provided they are produced and pasteurized under regulations which are substantially equivalent to these regulations and have been awarded an acceptable milk sanitation compliance and enforcement rating made by a state milk sanitation rating officer certified by the United States Public Health Service. A permit shall be issued for each bulk tankload or raw milk entering the Commonwealth of Virginia for processing and sale as Grade "A" market milk, Grade "A" market milk products, and milk products defined in these regulations. Individual permit will be issued upon receipt of application and information as directed by the State Regulatory Authority giving information as is set forth in Regulation § 5 concerning the labeling of tanks transporting raw milk.

## Regulation 13.

§ 13. Future dairy farms and milk plants.

Properly prepared plans for all milkhouses, milking barns, stables, and parlors, transfer stations, receiving stations, and milk plants regulated under these regulations which are hereafter constructed, reconstructed, or extensively altered, shall be submitted to the State Regulatory Authority for written approval before work is begun.

## Regulation 14.

§14. Personnel health.

No person affected with any disease in a communicable form, or while a carrier of such disease, shall work at any dairy farm or milk plant in any capacity which brings him into contact with the production, handling, storage, or transportation of milk, milk products, containers, equipment, and utensils; and no dairy farm or milk plant operator shall employ in any such capacity any such person, or any person suspected of having any disease in a communicable form, or of being a carrier of such disease. Any producer or distributor of milk, market milk, market milk products, and milk products, upon whose dairy farm, or in whose milk plant any communicable disease occurs, or who suspects that any employee has contracted any disease in a communicable form, or has become a carrier of such disease, shall notify the State Regulatory Authority immediately.

## Regulation 15.

§ 15. Procedure when infection is suspected.

When reasonable cause exists to suspect the possibility of transmission of infection from any person concerned with the handling of milk and/or milk products, the State Regulatory Authority is authorized to require any or all of the following measures:

A. The immediate exclusion of that person from milk handling;

B. The immediate exclusion of the milk supply concerned from distribution and use; and

C. Adequate medical and bacteriological examination of the person, of his associates, and of his and their body discharges.

§ 16. Grade A condensed and dry milk products and condensed and dry whey.

*The production, manufacture, packaging, labeling and sale of all Grade "A" condensed milk and Grade "A" dry milk products and Grade "A" condensed whey and Grade "A" dry whey for use in the commercial preparation of Grade "A" pasteurized milk products, sold within the Commonwealth of Virginia; the inspection of condensing plants or drying plants; issuing and revocation of permits to condensing plants or drying plants shall be regulated in accordance with the provision of Part II of the Grade "A" Condensed and Dry Milk Products and Condensed and Dry Whey - Recommended Sanitation Ordinance for Condensed and Dry Milk Products and Condensed and Dry Whey used in Grade "A" Pasteurized Milk Products - Supplement I to the Grade "A" Pasteurized Milk Ordinance - 1978 Recommendations of the United States Public Health Service/Food and Drug Administration, 1978 Edition (1985 Revision). A copy may be examined in the office of the Dairy Inspection Program of the Virginia State Department of Agriculture and Consumer Services, Washington Building, 1100 Bank Street, Richmond, Virginia 23219 or ordered from the Superintendent of Documents, U.S.*

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Government Printing Office, Washington, D.C. 20402, Stock Number 017-001-00420-1.

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**Title of Regulation:** VR 115-05-02. Rules and Regulations Governing the Cooling or Storage of Milk on Dairy Farms; the Sampling and Sample Handling of Milk from the Farm to the Laboratory; the Hauling, Transferring and Delivery of Milk from the Farm to the Processing Plant.

**Statutory Authority:** §§ 3.1-530.1 through 3.1-530.9 and §§ 3.1-531 through 3.1-545 of the Code of Virginia.

**Public Hearing Date:** September 22, 1986 - 2 p.m.  
(See Calendar of Events section for additional information)

## Summary:

*This regulation governs the cooling and storage of milk, the collection and handling of milk samples and the transportation of milk. Changes are proposed in 73 requirements to improve sentence structure and clarity. Other amendments assign additional duties to the milk hauler in picking up milk on the farm.*

VR 115-05-02. Rules and Regulations Governing the Cooling or Storage of Milk on Dairy Farms; the Sampling and Sample Handling of Milk from the Farm to the Laboratory; the Hauling, Transferring and Delivery of Milk from the Farm to the Processing Plant.

Regulation 119  
December 10, 1984

**Rules and Regulations Governing the Cooling and/or Storage of Milk on Dairy Farms; the Sampling and Sample Handling of Milk From the Farm to the Laboratory; the Hauling, Transferring, Handling, and Delivery of Milk From the Farm to the Processing Plant.**

Under the authority of Chapter 21, Article 3-1, Section 3.1-530.1 through Section 3.1-530.9, and Article 4, Section 3.1-531 through Section 3.1-545, of the Code of Virginia (1950), as amended (1970, e 40), hereby promulgates the ~~Commissioner of Agriculture and Consumer Services~~ **adopts these Rules and Regulations Governing Cooling and/or Storage, Sampling and Marketing of Milk from the Farm to the Processing Plant.**

## Regulation 2:

### § 1. Definitions.

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

**"Contract hauler" and/or subcontract hauler"** A contract hauler or sub-contract hauler is means any person who contracts to transport raw milk from a dairy farm to a milk plant; receiving or transfer station, or between a receiving station or transfer station and a milk plant.

**"Dairy farm"** is means any place or premises where one or more cows or goats are kept, and from which a part some or all of the milk or milk products is are provided, sold, or offered for sale to a milk plant, transfer station, or receiving station.

**"Farm bulk cooling and/or holding tank"** A farm bulk milk tank is means any tank installed on a dairy farm for the purpose of cooling and/or storing raw milk.

**"Farm bulk milk pickup tank"** A farm bulk milk pickup tank is means a tank especially designed and equipped to receive and transport raw milk from farm bulk cooling and/or holding tanks to a milk plant, receiving station, or transfer station.

**"Farm pickup commingled milk"** Farm pickup commingled milk is means the commingled raw milk from two or more dairy farms which has not been removed from the farm bulk milk pickup tank.

**"Industry laboratory"** is means a milk industry laboratory or a commercial laboratory which has been approved by the State Regulatory Authority to conduct specific tests and/or examinations of raw milk.

**"Milk"** is means the whole, fresh, clean lacteal secretion obtained by the complete milking of one or more healthy cows, excluding that obtained before and after calving, for such a period as may be necessary to render the milk practically colostrum free, which contains not less than 8 1/4 percent % milk solids-not-fat and not less than 3 1/4 percent % milkfat.

**"Milk hauler"** A milk hauler is means any person who transports raw milk from a dairy farm to a milk plant, receiving station, or transfer station.

**"Milk plant and/or receiving station"** is means any place, premises, or establishment where milk or milk products are collected, handled, processed, stored, pasteurized, bottled, or prepared for distribution.

**"Milk producer"** is means any person who operates a dairy farm and provides, sells, or offers milk for sale to a milk plant, receiving station, or transfer station.

**"Official laboratory"** is means a biological, chemical, or physical laboratory which is operated by the State Regulatory Authority.

**"Person"** The word "person" shall mean means any individual, plant operator, partnership, corporation, company, firm, trustee, or association.

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"State Regulatory Authority" shall mean means the Virginia Department of Agriculture and Consumer Services, the agency having jurisdiction and control over the matters embraced within these regulations.

"Transfer station" is means any place, premises, or establishment where milk or milk products are transferred directly from one transport milk tank to another, or from farm bulk milk pickup tanks to transport milk tanks.

"Transport commingled milk" Transport commingled milk is means raw milk which has been removed from a farm bulk milk pickup tank.

"Transport milk tank" A transport milk tank is means a tank especially designed to transport raw milk from a milk plant, receiving station, or transfer station.

"Transport tank operator" A transport tank operator is means any person who hauls transport commingled milk.

## Regulation 1:

### § 2. Intent, scope, and interpretation.

A. The Virginia State Board of Agriculture and Consumer Services hereby finds and discloses that a uniform regulation is needed to govern the cooling and/or storage of milk on Virginia dairy farms; the sampling of milk in storage and the handling of milk samples from the dairy farm to the laboratory; the hauling, transferring, storage, handling, and delivery of milk from the farm to the processing plant. These regulations shall be applicable throughout the Commonwealth, and shall be enforced on a statewide basis, and shall regulate all milk produced on Virginia dairy farms and marketed by the bulk system.

B. Unless otherwise provided by state law or regulations of the Virginia State Board of Agriculture and Consumer Services, these regulations shall be interpreted and enforced by the Department of Agriculture and Consumer Services. In the interest of the consumer and to facilitate the orderly marketing of milk, the Commissioner of Agriculture and Consumer Services may establish, publish, and enforce interpretations of these regulations.

C. These regulations define milk cooling and/or storage tanks, laboratories, dairy farms, plants, etc; sets and set forth permit requirements, milkhouse and associated facilities required; construction, location and operation of milk cooling and/or storage tanks; sampling and measuring of milk produced and sold from dairy farms; facilities required and these operations required in hauling milk from the farm to the processing plant by the bulk system.

### § 3. Permits.

A. It shall be unlawful for any person who does not possess a permit from the State Regulatory Authority of the Commonwealth of Virginia to operate a farm bulk

milk pickup tank to sample, measure, and collect milk from farm bulk milk cooling and/or holding tanks. Each person shall pass a satisfactory test as prescribed by the State Regulatory Authority. Qualifications of such persons shall be those set forth by laws, regulations, and methods and procedures as prescribed by the State Regulatory Authority. All such permits shall expire on December 31 next following the date of issuance. All such permits shall be renewed annually without further examination at the discretion of the State Regulatory Authority upon application and payment of the required law fee .

B. Contract haulers and subcontract haulers as defined in these regulations shall obtain a permit from the State Regulatory Authority in order to contract for the hauling of milk from the dairy farm to the milk plant or transfer station. Each farm bulk milk pickup tank shall be numbered and identified as prescribed by the State Regulatory Authority. Each transport milk tank shall be identified as prescribed by the State Regulatory Authority. Each laboratory, as defined in these regulations, shall obtain a permit from the State Regulatory Authority.

C. Only a person who complies with these regulations shall be entitled to receive and retain such a permit. Permits or identification numbers shall not be transferable with respect to persons, equipment, and/or locations.

D. The State Regulatory Authority shall suspend each permit whenever:

1. It has reason to believe that a public health hazard exists; or
2. The permit holder has violated any of the requirements of these regulations; or
3. The permit holder has interfered with the State Regulatory Authority in the performance of its duties;

E. provided that The State Regulatory Authority shall, in all cases except where the milk involved creates, or appears to create, an imminent hazard to the public health ; or in any case of a willful refusal to permit authorized inspection, serve upon the holder a written notice of intention to suspend permit, which notice shall specify with particularity the ~~violation~~ violations in question and afford the holder such reasonable opportunity to correct such ~~violation~~ violations as may be agreed to by the parties, or in the absence of agreement, fixed by the State Regulatory Authority, before making any order of suspension effective. A suspension of permit shall remain in effect until the violation has been corrected to the satisfaction of the State Regulatory Authority.

F. Upon written application of any person whose permit has been suspended, or upon application within 48 hours of any person who has been served with a notice of intention to suspend, and in the latter case before suspension, the State Regulatory Authority shall within 72 hours proceed to a hearing to ascertain the facts of such



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violation or interference and upon evidence presented at such hearing shall affirm, modify, or rescind the suspension or intention to suspend.

G. Upon repeated ~~violation~~ violations, the State Regulatory Authority may revoke such permit following reasonable notice to the permit holder and an opportunity for a hearing.

## Regulations 4.

### § 4. Milkhouse or milk room - construction and facilities.

A. Lighting fixtures of 100 watt or more capacity or other approved lighting facilities shall be located near, but not directly above, the farm bulk milk tank. The light shall be sufficient to enable the operator to thoroughly examine the interior of the tank.

Vents, if installed, shall not:

1. Be located over farm bulk milk tanks.
2. Be located over floor drains.

B. Farm bulk milk tanks shall be installed in such a manner that all ~~inner~~ inside and outside surfaces are readily accessible. Farm bulk milk tanks may be installed through a milkroom wall as approved by the State Regulatory Authority.

C. The milkhouse floor or bulk milk tank support foundation shall be of sufficient strength to support the tank when it is completely full.

A milkhouse or room shall be provided with:

1. A water hose of sufficient length to reach all parts of the milk tank. This water hose must be attached to a permanently mounted water valve.
2. Facilities for storing the water hose off the floor.
3. A separate permanently installed hand-washing facility with hot and cold running water, and soap, and single service towels.
4. A milk hose port opening which shall not exceed eight inches in diameter. The port shall be provided with a self-closing door which shall open to the outside. The port shall be of sufficient height above the milkhouse floor and the outside apron to prevent flooding or draining of the milkhouse. An outside apron constructed of concrete or other equally impervious material shall be provided to protect the milk-conducting equipment from contamination.

## Regulation 5.

§ 5. Construction and operation of farm bulk milk cooling and/or holding tanks, recording thermometers, and

interval timing devices.

### A. Farm bulk milk cooling and/or holding tanks.

1. Prior approval. Prior approval of each farm bulk milk cooling and/or holding tank and its installation shall be obtained from the State Regulatory Authority.

2. Construction and installation requirements. All new farm bulk milk cooling and/or holding tanks, and external cooling devices such as plate coolers or tubular coolers shall comply with applicable 3-A Sanitary Standards. (Note: Issued by and available from the International Association of Milk, Food, and Environmental Sanitarians Incorporated, Box 701, Ames, Iowa 50010. A copy is available for inspection in the office of the Chief of the Bureau of Dairy Services of the Virginia Department of Agriculture and Consumer Services.) Farm bulk milk tanks shall be leveled and rigidly installed in accordance with specifications established by the State Regulatory Authority. Whenever a farm bulk milk tank is installed so that the agitator or agitators are located outside the milkroom, tight-fitting closures shall be provided ~~with~~ which will protect the milk from contamination by flies, dust, drip splash, or manual contact. All openings in the tank for the installation of CIP equipment shall be located inside the milkroom, except as otherwise approved by the State Regulatory Authority. When a producer installs a farm bulk milk tank, it shall be used only to store, cool, and/or measure milk from that producer's herd.

3. Gaging and calibration chart requirements. A farm bulk milk tank shall be originally gaged "to deliver" in accordance with the requirements contained in the National Bureau of Standards Handbook 44 and supplements thereto, or in any publication revising or superseding Handbook 44. (Note: Copies available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. A certified copy is available for inspection in the office of the Chief of the Bureau of Dairy Services of the Virginia Department of Agriculture and Consumer Services.) When the tank is gaged for the purpose of preparing the calibration chart, tolerances are not applicable and the chart shall be prepared as accurately as practicable. A tank and any gage rod, surface gage or gage, or gage tube and calibration chart associated ~~therewith~~ with it shall be identified by serial number in a prominent manner.

4. Cooling and temperature requirements. Milk in farm bulk milk cooling and/or holding tanks shall be cooled to 40°F or less within two hours after the completion of each milking. Milk from farm bulk milk tanks shall not be picked up, transported, or delivered to a milk plant, receiving station, or transfer station when the temperature of that milk is in excess of exceeds 45°F.

5. Size. Where farm bulk milk tanks are used, each tank or tanks shall be of adequate size to store and properly agitate all milk offered for sale at any one delivery period. Grade A milk for pasteurization shall not remain in the farm bulk milk tank more than 52 hours.

## B. Recording thermometers.

1. Effective dates of installation, certified procedures of ungraded milk exempted. Effective September 1, 1977, all new installation of farm bulk milk cooling and/or holding tanks shall be equipped with recording thermometers, and effective January 1, 1980, all farm bulk milk cooling and/or holding tanks in use shall be equipped with recording thermometers, except that certified producers of ungraded milk shall be exempt from these requirements.

2. Installation requirements. The installation and operation of recording thermometer devices shall be the responsibility of the milk producer. Recording thermometers purchased prior to September 1, 1977, for installation on farm tanks or installed prior to September 1, 1977, may be accepted by the State Regulatory Authority on an individual basis. A recording thermometer device may not be installed on, or attached to, a farm tank. It may be suspended on metal brackets from the ceiling or floor, firmly attached to the inside wall of the milkroom, or at any other location acceptable to the State Regulatory Authority. If the vat pasteurizer is used in lieu instead of a storage tank on a producer-distributor dairy, the recording thermometer of the vat pasteurizer may be used.

3. Construction. The sensor bulb or device shall be so located as to record the temperature of the milk in the tank before the milk reaches 10 percent of the tank volume. Any capillary system containing any toxic gas or liquid shall not be used in a bare-bulb sensing device. The recorder chart, if circular, may make one revolution in 24 hours, 48 hours, or 72 hours, with the recommendation that the chart rotation time coincide with the maximum storage period of the milk, in the farm tank. If a strip chart is used, it shall move not less than one inch per hour, and may be continuous to a maximum of one calendar month. The recorder clock may be manually wound or electrically operated. The recorder pen must reflect the actual time. The circular recorder chart will be of a size acceptable to the State Regulatory Authority, and the minimum temperature on the chart will be at the maximum diameter. If a strip chart is used, the minimum temperature may be at the top or bottom of the chart. The case of the recording device shall be moisture-proof under operating conditions. The recorder must be capable of recording from 30°F to 160°F or above, with one degree or less lines of demarcation of one degree or less between 30°F and 60°F with an accuracy of plus or minus one degree in

the 30°F to 60°F range.

4. Handling of recorder charts. The milk producer shall maintain an adequate supply of recording charts. The charts shall be those recommended for the specific instrument which is installed. The milk hauler, in making a milk pickup, shall properly agitate the milk and remove the chart from the recorder, marking mark the date ; and the time of pickup, and sign the chart. He shall write the date and the producer number on a new chart and install it on the recording device. He shall file the used chart under protected conditions provided for by the milk producer. The temperature recording charts may be used for more than one pickup, provided that all of the pickups occur within the maximum time interval on the chart. When the chart is used for more than one pickup, the milk hauler shall identify each lot of milk with the date, time of pickup, and signature. Before removing milk from the farm tank, the milk hauler shall check the recorder chart. If the hauler finds any temperature variation which would preclude acceptance, he shall immediately notify his superior and the milk producer. If the milk is rejected, the milk hauler shall so note on the chart. If the milk is subsequently picked up, the milk hauler shall sign the chart noting the date, time of receipt, and measuring rod reading. With the producer's permission, charts may be removed from the dairy farm, provided that they are returned to the dairy farm within eight days from of the date they were taken. Recorder charts shall be held by the milk producer ; except as otherwise provided, for 60 days , except as otherwise provided, and shall be available to the State Regulatory Authority.

5. Notification when device becomes inoperable; control to be sealed. If at any time the recording device becomes inoperable, the State Regulatory Authority and the buyer shall be notified immediately by the milk producer. Repair or replacement of the device shall be made immediately. The control of the recording device shall be sealed by a representative of the State Regulatory Authority.

## C. Interval timing devices.

1. Effective dates of installation; certified producers of ungraded milk exempted. Effective January 1, 1980, all bulk milk cooling and/or holding tanks in use shall be equipped with interval timing devices, except that certified producers of ungraded milk shall be exempt from these requirements.

2. Construction requirements. Interval timers shall be set and adjusted so that the milk will be agitated for not less than five minutes with a frequency of at least once every hour.

3. Installation requirements. The installation and operation of interval timing devices shall be the

# Proposed Regulations

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responsibility of the milk producer.

## Regulation 6.

### § 6. Measuring, sampling, and testing.

A. Quantity measurements. The quantity of milk in the bulk tank shall be determined by the use of the *using* a measuring rod or by some other equally accurate device approved by the State Regulatory Authority. When desiring to convert volumetric measurement to weight, the computation shall be made as follows: Volume in gallons multiplied by 8.60 equals weight in pounds.

B. Sampling. Representative milk samples shall be taken for official ~~analysis~~ *analyses* such as bacteriological, brucellosis ring test, pesticide, cryoscope, abnormal milk, antibiotic, butterfat, and radiological tests or other tests that may be required. These samples shall be collected by a ~~permitted sampler responsible person who is responsible~~ *person who is responsible* for collecting, handling, storage, and delivery of these samples ~~in accordance with~~ *according to* prescribed procedures. Samples shall be at all times under the control of a ~~permitted tester and/or sampler and weigher~~ *permitted tester and/or sampler and weigher* provided that when samples are not under the control of a ~~permitted tester and/or sampler and weigher~~ *permitted tester and/or sampler and weigher* they shall be ~~handled person holding a valid permit to test or sample and weigh milk or handle~~ *handled in a manner prescribed by the State Regulatory Authority*. All samples shall consist of at least four ounces of milk unless otherwise specified by the State Regulatory Authority. Larger samples may be required for special tests ~~such as radiological~~.

C. Butterfat testing. When fresh milk samples are to be used as the basis for ~~to determine~~ *determining* butterfat ~~determinations~~ *content* for producer payment, a representative milk sample shall be tested a minimum of four times each month. Such samples shall be selected at irregular intervals ~~for testing~~ and tested within 48 hours ~~after of~~ collection. When composite milk samples are used, a representative sample shall be taken from each shipment of each producer and shall cover a period for not more than sixteen days. Composite milk samples shall not be stored on farm bulk milk pickup tanks. They shall contain the correct amount and the kind of preservative prescribed by the State Regulatory Authority. All composite milk samples shall be tested within three days following the close of the period covered by the samples.

## Regulation 7.

### § 7. Farm bulk milk pickup tank, transport milk tank, and milk haulers.

A. Milk transport tanks and farm bulk milk pickup tanks shall comply with 3-A Standards for automotive transportation tanks for milk and fluid milk products.

1. Farm bulk milk pickup tanks and their operations shall conform ~~with~~ to the following requirements:

a. The minimum inside diameter of the hose shall be 1 1/2 inches. The hose shall be of a type approved by the State Regulatory Authority. The clamps for attaching the hose to the metal fittings shall be easily dismantled and of a type approved by the State Regulatory Authority. Other pipes, fittings, and pumps must conform to 3-A Standards.

b. The fitting to be ~~attached to the farm bulk milk cooling and/or hold tank for the transfer of milk on the end of the hose used to remove the milk from the farm bulk milk cooling and/or holding tank~~ must be properly capped when not ~~attached to the farm bulk milk cooling and/or holding tank in use~~.

c. A compartment or container shall be provided for maintaining milk samples at a temperature between 32°F. and 40°F.

2. Milk transport tanks hauling transport commingled milk and milk products to a plant shall be sealed. In addition, for each such shipment, a shipping statement shall be prepared containing at least the following information:

- a. Shipper's name, address, and permit number.
- b. Permit number of hauler, if not employee of shipper.
- c. Point of origin of shipment.
- d. Tanker identity number.
- e. Name of product.
- f. Weight of product.
- g. Grade of product.
- h. Temperature of product.
- i. Date of shipment.
- j. Whether the contents are raw, pasteurized, or otherwise heat treated.
- k. Seal number.

~~Such~~ *These* copies of statement shall be prepared in ~~triplicate~~ and shall be kept on file by the shipper, the consignee, and the carrier for a period of six months for the information of the State Regulatory Authority.

3. A contract hauler or owner of a transport milk tank or farm bulk milk pickup tank shall identify such tank with a number that has been registered with the State Regulatory Authority ~~on forms provided~~. This number shall be affixed to the rear, outside bulkhead wall of the tank, and shall not be removed until a new number has been registered with the State Regulatory

# Proposed Regulations

Authority by a new owner or contract hauler.

4. Farm bulk milk pickup tanks and milk transport tanks shall maintain a clean and tidy appearance.

B. Milk haulers shall be considered key men persons in bulk milk handling operations and shall:

1. Be responsible for seeing that the milk tank has been properly tagged with a "wash and sanitize tag" before he picks up any producer milk. If he observes any malfunction in the cleaning or sanitizing of his tank, he shall notify either the owner of the tank or the State Regulatory Authority so that this tank can be properly washed or sanitized before placed in service.

2. Maintain a clean and tidy personal appearances appearance by wearing only clean outer garments.

3. Wash hands thoroughly just prior to the before handling of the milk-contact equipment on each farm.

4. Make certain that multi-use equipment such as sampling dippers are washed and sanitized before each use.

5. Collect a milk sample that may be used for bacteriological, chemical, or other official analysis each time the farm bulk tank is emptied.

a. Collect a sample from each farm tank where a producer has more than one tank.

b. Collect the sample after the milk has been properly agitated for a minimum of five minutes or more if necessary. This sample must be collected before the farm bulk milk cooling and/ or holding tank valve is opened.

c. Collect an additional sample at the first stop for a sample temperature control check.

6. Identify the sample by marking on it the date and the producer's patron number.

7. Record on the producer's receipt the producer's name and/ or number, the date and time of pick-up, the temperature of the milk, the measuring rod reading, the poundage, the name of the purchasing organization, and the signature of the licensed milk hauler.

8. See that the farm bulk milk cooling and/ or holding tank is completely emptied each time that milk is picked up.

9. Complete the respective milk routes as rapidly as possible with no delay.

10. Deliver milk to the milk plant, receiving station, or transfer station as soon as possible after collection

and shall at no time have shall there be an elapsed time in excess of of more than two hours between farm pickups without washing and sanitizing hose, pump, and fittings.

11. Follow methods and procedures prescribed by the State Regulatory Authority for measuring and sampling milk from farm bulk milk cooling and/ or holding tanks.

Regulatory Footnote: The milk hauler, in making a pickup, shall:

A. Properly agitate the milk and remove the chart from the recorder, marking mark the date and the time of pickup, and sign the chart.

B. Write the date and the producer number on a new chart and install it on the recording device.

C. File the used chart under protected conditions provided for by the milk producer.

D. Identify each lot of milk with the date, time of pickup, and signature when the chart is used for more than one pickup.

E. Immediately notify his superior and the milk producer if the recorder chart reveals any temperature variation which would preclude acceptance of the milk from the farm bulk milk cooling or holding tank.

F. Note on the recorder chart if the lot of milk is rejected.

G. Sign the chart noting the date, time of receipt, and measuring rod reading if the rejected milk is subsequently picked up.

(Cross-reference to duties of milk haulers as outlined in Regulation § 5 B.4.)

Regulation 8.

§ 8. Receiving milk by milk plant and/ or receiving station or transfer station.

A. When milk is received from farm bulk milk pickup tanks or transport milk tanks that are not equipped with an approved adequate method for agitation, there shall be provided by the milk plant and/ or receiving station or transfer station shall provide an approved means for thoroughly mixing milk in the tank so that representative samples of the milk may be collected.

B. Weighing, measuring, and sampling milk in or at milk plants and/ or receiving stations or transfer stations shall be in accordance comply with the methods and procedures as prescribed by the State Regulatory Authority.

C. Milk plants and/ or receiving stations and transfer

# Proposed Regulations

stations shall meet the sanitation requirements specified for receiving rooms and/or transfer stations in the Administrative Procedures contained in the Grade "A" Pasteurized Milk Ordinance - 1965 1978 Recommendations of the United States Public Health Service, 1967 1979 Edition.

D. Each milk plant, receiving station or transfer station which receives milk or milk products in farm bulk milk pickup tanks or transport milk tanks shall thoroughly clean and sanitize each farm bulk milk pickup tank or transport milk tank. Cleaning and sanitizing procedures shall be prescribed and approved by the State Regulatory Authority. After being washed and sanitized, each farm bulk milk pickup tank and each transport milk tank shall be identified by a tag attached to the outlet valve bearing the following information:

1. Plant and specific location where cleaned and sanitized;
2. Date and time of day of washing and sanitizing; and
3. Names of persons who washed and name of person who sanitized the tank.

The tag shall not be removed until the tank is again washed and sanitized.

## DEPARTMENT OF COMMERCE

**Title of Regulation:** VR 190-01-1. Rules and Regulations Governing Employment Agencies.

**Statutory Authority:** § 54-872.23:1 of the Code of Virginia.

**Public Hearing Date:** September 17, 1986 - 10 a.m.  
(See Calendar of Events section for additional information)

### Summary:

*The regulations apply directly to approximately 114 licensed employment agencies in the Commonwealth. The proposed amendment defining "employment agency" and amending § 1.4 is necessary for compliance with § 54-1.28:1 of the Code of Virginia. The board proposes to increase the annual renewal fee from \$55 to \$170. The anticipated impact of the fee increase to licenses is \$13,110 annually.*

VR 190-01-1. Rules and Regulations Governing Employment Agencies.

### PART I. GENERAL.

#### § 1.1. Definitions.

The following definitions shall apply in these regulations unless the context clearly requires a different meaning.

1-1-1 "Agency" means an employment agency.

1-1-2 "Appointment" means an arrangement for a meeting between an applicant and an employer made by an employment agency.

1-1-3 "Board" means the Board of Commerce.

1-1-4 "Department" means the Department of Commerce.

"Employment Agency" means any person who advertises through any means for the purpose of assigning or directing a person to some other employer to work and charges any fee or commission for such service. These regulations do not apply to (i) persons engaged exclusively in the business of providing part-time or temporary personnel or business services to or for others and under their direction so long as the individuals provided to perform such services remain for all purposes the employee of such persons; (ii) migratory farm labor where otherwise provided for by law; (iii) fee-paid agencies where the employee placement fee is paid by the employer and there is no liability on the part of the applicant; and (iv) services that involve an injured employee, as defined by § 65.1-4 of the Code of Virginia, which services are essentially rehabilitative in nature and where fees are paid by a third party and there is no liability on the part of the employee.

1-1-5 "Job applicant" means any person who seeks employment.

1-1-6 "Job order" means a bona fide employer request for applicant referrals for a position.

#### § 1.2. Out-of-state license.

Any out-of-state person, firm, corporation, partnership, or association who charges a fee to an applicant must shall obtain an employment agency license and bond if the agents, managers, or counselors are in Virginia or come into Virginia for the purpose of doing business as an employment agency through recruitment, search, counseling, or placement activities, whether such operation is conducted within the Commonwealth from a permanent or temporary place of business.

#### § 1.3. Initial license.

Each application for initial license must be accompanied by a fee of \$300, paid by check to the Treasurer of Virginia.

#### § 1.4. Renewal of license.

Licenses issued under these regulations shall expire on January 1 of each year. Each licensee shall renew the license by submitting a fee of ~~\$55~~ \$170, made payable to

# Proposed Regulations

the Treasurer of Virginia, to the Director of the Department of Commerce. The renewal fee is to be paid by January 2 of each year. At least 45 days prior to the expiration date, a renewal notice shall be mailed to each licensee as a reminder of the amount due and the method for renewal. Failure to receive written notice does not relieve the licensee from the requirement to renew.

## § 1.5. Failure to Renew.

If the licensee fails to renew the license within one month following the expiration date of the last valid license, he ~~will~~ shall be required to pay a renewal fee that shall be an amount equal to twice the regular renewal fee.

Any licensee failing to renew the license within 6 months after it expires must reapply for the license, as no renewals will be accepted. The applicant will be required to present reasons why the license should be renewed and the Department, in its discretion, may grant a renewal license or require requalification or reexamination, or both.

The date a fee is received by the Department of Commerce, or its agent, will be used to determine whether a penalty fee or the requirement for reinstatement of a license is applicable for each fee received.

## PART II. ENTRY REQUIREMENTS.

### § 2.1. Denial, suspension and revocation.

No license shall be granted to any applicant or controlling person who is not at least eighteen years of age.

### § 2.2. Denial due to felony conviction.

When considering the denial, suspension or revocation of an employment agency license on the grounds that the licensee has been convicted of a felony involving fraud or theft, the department, in evaluating the rehabilitation and present eligibility of such person, shall consider the following criteria:

~~2.2.1~~ 1. Nature and severity of the offense(s).

~~2.2.2~~ 2. Total criminal record.

~~2.2.3~~ 3. Time that has elapsed since commission of the offense(s).

~~2.2.4~~ 4. Extent to which the person has complied with any terms of parole, probation, restitution or any other sanctions lawfully imposed against him.

~~2.2.5~~ 5. Evidence, if any, of rehabilitation submitted by the person.

## PART III. STANDARDS OF PRACTICE.

### § 3.1. Contracts, signature.

The contract shall state in bold face letters above the signature line: "I HAVE READ AND UNDERSTAND THE ABOVE CONTRACT AND HAVE RECEIVED A DUPLICATE OF THE CONTRACT."

### § 3.2. Contracts, information.

The name, address and telephone number of the agency must shall appear on the contract or agreement.

~~3.2.1~~ The contract shall state in a prominent place, in bold face letters, "Licensed by the Department of Commerce, State Commonwealth of Virginia, telephone number 1-800-552-3016."

~~3.2.2~~ Obligation - The applicant is not obligated to accept any position of employment as a result of a referral by an employment agency.

~~3.2.3~~ Acceptance - The term shall mean the commencement of work or an agreement between the applicant and the employer for the applicant to commence work on a fixed date at an agreed remuneration evidenced in writing and dated by the applicant.

### § 3.3. Bonding required.

Each location (branch) of an employment agency shall be bonded in the sum of five thousand dollars for \$ 5,000

### § 3.4. Advertising, general.

All advertising must shall include the name and address under which the agency does business.

### § 3.5. "False and misleading" advertising.

Advertising deemed false and misleading shall include, but not be limited to, advertising failing to conform to the following requirements:

~~3.5.1~~ 1. Advertisements must shall be worded so as not to mislead the applicant regarding the position advertised or the necessary qualifications.

~~3.5.2~~ 2. No salary shall appear in an advertisement except the one appearing in the actual job order. When the top of the salary range is quoted, it must shall be preceded by the word "to."

~~3.5.3~~ 3. The word "open" or the symbols "\$\$\$" or words and symbols of similar importance import may not be used as a substitute for the salary of any position or positions in an advertisement.

# Proposed Regulations

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~~3-5-4~~ 4. In group advertisements containing both employer pays fee and applicant pays fee listings, if source of fee is indicated for one job it ~~must shall~~ be indicated for all.

~~3-5-5~~ 5. In accepting a job order from an employer, the agency should determine whether the employer is quoting a "guaranteed" salary or one based on anticipated commissions ~~and/~~ or bonuses, or both. If a salary advertised is based entirely or partially on a bonus ~~and/~~ or commission, or both, the advertisement ~~must shall~~ so state this.

## § 3.6. Advertising as "free" or "no fee."

No employment agency shall advertise its services as free or no fee if the applicant is to assume any liability or contingent liability for any fees.

## § 3.7. Continuous job orders.

When an employer has indicated to any agency that the business has a continuing need in a job category for applicants, the agency may maintain a bona fide "open" job order. The agency is not exempt from the responsibility to make an appointment for the applicant with the employer in filling this type of job order.

## § 3.8. Bona fide applicant referral.

Any applicant referral by an employment agency to an employer for a position is bona fide:

~~3-8-1~~ 1. When the applicant is informed of the job specifications, salary range, name and location of employer, and who will be liable for the employment agency fee; and

~~3-8-2~~ 2. When the employment agency has properly identified itself to the employer as an agent for the applicant; and

~~3-8-3~~ 3. When the employer is informed of the applicant's name and qualifications.

~~3-8-4~~ 4. When the appointment has been made.

## § 3.9. Prohibited referrals.

No employment agency or person employed by or acting as an agent for an employment agency shall misrepresent any position to an applicant.

## § 3.10. Refunds.

All refunds to applicants are due on the thirty-first day after the employment agency has verified termination of employment.

## § 3.11. Permanent positions.

Any position provided by an employment agency to any applicant from whom a fee is to be received shall be considered permanent except under circumstances covered by ~~Virginia Code~~ § 54-872.20 G of the Code of Virginia.

## § 3.12. "No fault of the applicant."

If an applicant's employment is terminated by the employer, "no fault of the applicant" includes, but is not limited to:

~~3-12-1~~ 1. Closing of the business.

~~3-12-2~~ 2. Receiving from the employer a payroll check which is not honored by the bank upon which it is drawn.

## § 3.13. "Fault of the applicant."

If employment is terminated by the employer, "fault of the applicant" includes, but is not limited to, the following:

~~3-13-1~~ 1. Violating company policies or rules; or

~~3-13-2~~ 2. Failure to perform duties appropriate to employment; or

~~3-13-3~~ 3. Misrepresenting or withholding any requested information that would cause the employer to refuse employment; or

~~3-13-4~~ 4. Failing to fulfill, either temporarily or permanently, the terms of employment because of a felony or misdemeanor conviction after being employed.

## § 3.14. Job not as represented.

"The job is not as represented to the applicant" includes, but is not limited to, the following:

~~3-14-1~~ 1. Working hours, working days or working shift significantly different than agreed upon.

~~3-14-2~~ 2. Location of job significantly different than agreed upon.

~~3-14-3~~ 3. Wage rate or salary less than agreed upon.

~~3-14-4~~ 4. Type of work assignment substantially different than agreed upon.

Exception: An applicant hired as a trainee agrees that the choice of actual assignment remains with the employer.

## § 3.15. Complaints, response.

The employment agency named in a complaint shall have ten working days to respond to the department's notice.

## § 3.16. Criminal proceedings.

In addition to its other powers, the department may bring actions to enjoin violations of these regulations and Article 1 (§ 54-872.18 et seq.) of Chapter 24.2 of Title 54 of the Code of Virginia, subject to the provisions of §§ 54-872.25 or 54-872.26 of the Code of Virginia.

## § 3.17. Use of names.

Any person acting in the capacity of an employment counselor shall use his or her real name in compliance with § 59.1-69 of the Code of Virginia dealing with assumed/fictitious names.

## § 3.18. Penalties.

The department may fine, revoke, suspend or fail to renew the license of any employment agency for failing to comply with the provisions of Chapter 24.2 of Title 54 of the Code of Virginia or these regulations.



# Proposed Regulations



## COMMONWEALTH of VIRGINIA

Department of Commerce

DAVID R. HATHCOCK  
Director

3500 WEST BROAD STREET, RICHMOND, VIRGINIA 23230 - 4917

TELEPHONE: (804) 257-8500  
TOLL FREE: 1 (800) 552-3018

### APPLICATION FOR EMPLOYMENT AGENCY LICENSE

Initial License Fee: \$300.00

INDIVIDUAL

PARTNER

CORPORATION

Check Box Applicable Above

Check or money order for fee should be made payable to the Treasurer of Virginia

NOTE: PLEASE PRINT OR USE TYPEWRITER IN COMPLETING THE FOLLOWING:

Date \_\_\_\_\_, 19\_\_

1. Agency Name \_\_\_\_\_  
(As desired on License)

2. Business Address \_\_\_\_\_  
(Office Location)

3. Business Post Office Box \_\_\_\_\_

4. Other Names Operating Under \_\_\_\_\_  
(Trading-as-name)

5. Agency Controlling Person(s)  
\_\_\_\_\_  
(full name) (street address)

\_\_\_\_\_  
(Social Security Number /Date of Birth/ City, State)

\_\_\_\_\_  
(full name) (street address)

\_\_\_\_\_  
(Social Security Number /Date of Birth/ City, State)

\_\_\_\_\_  
(full name) (street address)

\_\_\_\_\_  
(Social Security Number /Date of Birth/ City, State)

#### FOR OFFICE USE ONLY

Board/Occup.  
Check No.

ID/Cert. No.  
Amount

Suffix  
Class

Date

# Proposed Regulations

**EXECUTIVE OFFICER, OWNER, OR PARTNERSHIP INFORMATION**  
 (If partnership, each partner must complete separate form)

6. Name \_\_\_\_\_  
 7. Residence Address \_\_\_\_\_ Zip \_\_\_\_\_ Phone \_\_\_\_\_  
 8. Present Age \_\_\_\_\_ Date of Birth \_\_\_\_\_

Place of Birth \_\_\_\_\_

Blacken in the space provided for the questions below if your answer to each question is "yes":

- 9. Have you ever been licensed in any other state as an owner or manager of a Employment Agency?  
 If answers is "yes," attach an explanation providing full details.
  - 10. Has your application for a license as an owner or manager of a business ever been revoked, rejected or suspended for fraud or misrepresentation in this State, or any other State? If yes, attach a full explanation.
  - 11. Have you ever been convicted in any court of a felony, fraud or misrepresentation? If yes, attach a full explanation.
  - 12. Have you read, and are you fully familiar with the provisions of the Virginia Employment Agency Act?
13. List the names and addresses of three (3) persons (not related to you) who can attest to your reputation for honesty, good moral character, and unreservedly recommend you to the Department of Commerce.

	NAME	ADDRESS	YEARS KNOWN	PHONE

**AFFIDAVIT**

State of \_\_\_\_\_ ss.  
 County or City of \_\_\_\_\_

The undersigned being duly sworn deposes and says that he/she is the person who executed this application, that the statements herein contained are true, that he/she has not suppressed any information that might affect this application, and that he/she has read and understands this affidavit.

\_\_\_\_\_  
 (Signature)

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_

My commission expires: \_\_\_\_\_  
\_\_\_\_\_  
 Notary Public

# Proposed Regulations

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BOND NO. \_\_\_\_\_

WHEREAS, \_\_\_\_\_, located at \_\_\_\_\_  
\_\_\_\_\_, ("Principal"), and \_\_\_\_\_  
\_\_\_\_\_, ("Surety") a corporation of the State of \_\_\_\_\_,  
lawfully doing business in the Commonwealth of Virginia ("the Commonwealth"), are held and firmly bound unto the Commonwealth in the full sum of Five Thousand Dollars (\$5,000.00), for the payment of which sum, said Principal and Surety bind themselves jointly and severally according to the conditions set forth below.

WHEREAS, the above Principal(s) has requested a license from the Commonwealth for the purpose of engaging in the business of an employment agency.

NOW, THEREFORE, if the Principal shall, during the period that this license is in effect, faithfully observe and honestly comply with the provisions of Virginia Code Sections 54-872.16 through 54-872.26, and shall pay all damages occasioned to any person by reason of any misstatement, misrepresentation, fraud or deceit of that Principal, its agents or employees, then this obligation shall become void. Otherwise this obligation shall remain in full force and effect, subject to the following conditions:

1. The Surety shall have the right to cancel this bond at any time by a written notice, which shall state when the cancellation is to take effect, and shall be hand delivered to, or received by registered mail by, the Obligee at its offices at the Department of Commerce, 3600 West Broad Street, Richmond, Virginia 23230. Such notice shall also be delivered, by the same means, to the Principal, at the address given above, at least sixty (60) days prior to the date that the cancellation becomes effective. It is expressly agreed and understood that the Surety shall remain fully liable for any default hereunder occurring at any time between receipt of the notice by the Obligee and the date that the cancellation becomes effective.

2. This bond shall remain in full force and effect until cancelled as provided above.

3. Any person aggrieved by any act of the Principal which constitutes a violation of the provisions of Virginia Code Sections 54-872.16 through 54-872.26, may proceed against the Principal or Surety on this bond, or both, to recover damages not in excess of the penalty of this bond.

# Proposed Regulations

PROVIDED, FURTHER, that in no event shall the Surety be liable for more than the face sum of this bond.

SIGNED, this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

\_\_\_\_\_  
(Principal)

Witness:

\_\_\_\_\_ BY \_\_\_\_\_ (SEAL)

\_\_\_\_\_ (SEAL)

\_\_\_\_\_  
(Principal)

BY \_\_\_\_\_ (SEAL)

\_\_\_\_\_ (SEAL)

BY \_\_\_\_\_ (SEAL)

\_\_\_\_\_  
(Registered Virginia Agent)

## ACKNOWLEDGMENT OF PRINCIPAL

State of Virginia:

\_\_\_\_\_ of \_\_\_\_\_, to wit:

I, \_\_\_\_\_, a Notary Public in and for the \_\_\_\_\_  
\_\_\_\_\_, aforesaid, in the State of Virginia, do certify  
that \_\_\_\_\_, whose name(s) is/are  
signed to the above, personally appeared before me in my \_\_\_\_\_  
\_\_\_\_\_, aforesaid, and acknowledged the same.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.  
My commission expires \_\_\_\_\_.

\_\_\_\_\_  
(Notary Public)

# Proposed Regulations

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Revised 7/1/84

MODEL CONTRACT

(AGENCY LOGO)  
(ADDRESS)  
(PHONE)

THIS AGENCY IS LICENSED BY THE DEPARTMENT OF COMMERCE, 3600 WEST BROAD STREET, RICHMOND, VIRGINIA 23230. TELEPHONE NUMBER 1-800-552-3016. IF YOU HAVE QUESTIONS, PLEASE CONTACT THEM.

CONTRACT AND AGREEMENT -- READ CAREFULLY  
.....

Obligation - I am not obligated to accept any position of employment as a result of an interview by \_\_\_\_\_ (AGENCY NAME) \_\_\_\_\_.

Acceptance of Position - The term shall mean the actual commencement of work or an agreement between the applicant and the employer, for the applicant to begin work on a fixed date at an agreed remuneration evidenced in writing and dated by the applicant.

Completion of Service - The service of the \_\_\_\_\_ (AGENCY NAME) \_\_\_\_\_ is to be considered complete when the position is accepted by the applicant.

I hereby request the services of \_\_\_\_\_ (AGENCY NAME) \_\_\_\_\_ to assist me in securing permanent employment.

If I accept a position offered me by an employer as a result of an appointment made by \_\_\_\_\_ (AGENCY NAME) \_\_\_\_\_, I will pay the full service charge. Even if I fail to report to work as agreed, or voluntarily leave the position, or I lose the position through my own fault, I am still obligated to pay the full service charge.

For permanent employment accepted by me, as a result of an interview made by \_\_\_\_\_ (AGENCY NAME) \_\_\_\_\_, I hereby promise to pay a placement fee as follows:

# Proposed Regulations

Projected		Projected		Projected		Projected		Projected	
Gross Annual Earnings	Service Charge	Gross Annual Earnings	Service Charge	Gross Annual Earnings	Service Charge	Gross Annual Earnings	Service Charge	Gross Annual Earnings	Service Charge
\$1300-1599	\$113.22	\$3640-3899	\$335.47	\$5980-6239	\$628.89	\$8320-8579	\$872.48	\$11,000-11,999	\$1,319.89
1600-1819	129.25	3900-4159	358.59	6240-6499	655.75	8580-8839	899.81	12,000-12,999	1,559.88
1820-2079	143.26	4160-4419	381.80	6500-6769	683.67	8840-9099	927.19	13,000-13,999	1,819.87
2080-2339	167.50	4420-4679	418.61	6770-7019	709.62	9100-9359	954.52	14,000-14,999	2,099.86
2340-2599	186.83	4680-4939	443.71	7020-7279	736.64	9360-9616	990.76	15,000-15,999	2,399.85
2600-2859	206.07	4940-5199	468.51	7280-7539	763.70	9620-9879	1027.42	16,000-16,999	2,719.84
2860-3119	227.47	5200-5459	523.17	7540-7799	790.82	9880-10,139	1064.60	17,000-17,999	3,059.83
3120-3379	288.30	5460-5719	553.64	7800-8059	817.99	10,140-10,399	1102.29	18,000-18,999	3,419.82
3380-3639	311.79	5720-5979	579.38	8060-8319	845.21	10,400-10,999	1176.89	19,000-19,999	3,799.81
								20,000 & over	4,000.00

(IMPORTANT NOTE TO AGENCIES - The dollar service charge shown above is only an example; it is not meant to suggest or imply what fees you should charge. It is only a suggested format that shows how to meet the "gross amount" requirement of the law.)

Fee/Service Charge - No fee or service charge may be collected from an applicant who has accepted a job from a company with which the agency did not make an appointment for the applicant.

Employer Paid Fee - If an employer agrees to pay the placement fee, but through no fault of the applicant does not, (AGENCY NAME) shall have a right of action against the employer, but not the applicant.

Refunds—Temporary Employment - Employment shall be considered to be temporary when within twelve weeks after employment commences that employment is terminated by the employer through no fault of the applicant or voluntarily by the applicant if the job is not as represented to the applicant. In such event (AGENCY NAME) shall refund to the applicant the portion of the placement fee that exceeds one-twelfth of that fee for each week or portion thereof that the employment continued.

(Agency Section - This section is for any additional statements the agency may wish to take in reference to payment arrangements, credit, confidential information release, interview results, etc.)

(Signature Section) - "I HAVE READ AND UNDERSTAND THE ABOVE CONTRACT AND HAVE RECEIVED A DUPLICATE OF THE CONTRACT."

\_\_\_\_\_  
(APPLICANT SIGN HERE)

\_\_\_\_\_  
(DATE)

# Proposed Regulations

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## COMMONWEALTH of VIRGINIA

Department of Commerce

DAVID R. HATHCOCK  
Director

3600 WEST BROAD STREET, RICHMOND, VIRGINIA 23230 - 4917

TELEPHONE: (804) 257-8500  
TOLL FREE: 1 (800) 552-3016

### CRIMINAL RECORD REQUEST

MAIL TO: Virginia State Police  
Division of Records and Statistics  
7700 Midlothian Turnpike  
P. O. Box 27472  
Richmond, VA 23261

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The Employment Agency Advisory Board has received an application for licensure for the following individual. Please furnish the Board with any conviction data you may have.

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LAST NAME	FIRST	MIDDLE
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RACE	SEX	BIRTH DATE/MONTH	DATE	YEAR
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PLACE OF BIRTH/COUNTY OR CITY	PLACE OF BIRTH/STATE OR COUNTRY
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SOCIAL SECURITY NUMBER

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REPLY FROM STATE POLICE:

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Your cooperation is appreciated.

Roberta L. Banning  
Assistant Director  
Employment Agencies

# Proposed Regulations

## STATE COUNCIL OF HIGHER EDUCATION

**Title of Regulation:** VR 380-01-01. Regulations for the Senior Citizen Higher Education Program.

**Statutory Authority:** § 23-9.8:1 of the Code of Virginia.

**Public Hearing Date:** September 22, 1986 - 10 a.m.  
(See Calendar of Events section for additional information)

### Summary:

Institutions of higher education will be able to count nontuition paying senior citizens (persons 60 years of age or older who are residents of Virginia) enrolled in credit courses in the full-time equivalent student enrollment count. Free tuition for credit courses is available to senior citizens who have a taxable income of less than \$7,500; noncredit courses are free to all senior citizens. Institutions may admit nontuition-paying senior citizens only after accommodating all tuition-paying students in the course.

VR 380-01-01. Regulations for the Senior Citizen Higher Education Program.

### General Rules.

#### § 1. Definitions.

Section 23-38.55 of the Senior Citizens Higher Education Act defines several words and terms. Unless otherwise noted, they shall have the following meanings ascribed to them:

"Course" shall mean any course of study offered in any state institution of higher education including the regular curriculum of any department, or school, or subdivision of any such institution or any special course given for any purpose, including but not limited to, adult education.

"Full-time equivalent student (FTES)" shall mean the statistic used for budgetary purposes by the Commonwealth. It is derived by calculating total credit hours generated by students at a particular level and dividing that number by the number of credit hours generally considered a full-time load at that level.

"Senior citizen" shall mean any person who, before the beginning of any term, semester or quarter in which such person claims entitlement to the benefits of this chapter, (i) has reached sixty years of age, and (ii) has had his legal domicile in this Commonwealth for one year.

"Senior Citizens Higher Education Act" is set forth in Chapter 4.5 (§ 23-38.54 et seq.) of Title 23 of the Code of Virginia.

#### § 2. Eligibility.

A senior citizen may take courses without paying tuition or required fees, except for course materials, under certain conditions. If the senior citizen had a federal taxable income of not more than \$7,500 in the preceding year, the individual may take a course for academic credit. If the person's taxable income exceeded \$7,500, the individual may only audit the course for free. A senior citizen, regardless of income level, may take a noncredit course for free.

No limit is placed on the number of terms, quarters or semesters in which a senior citizen who is not enrolled for academic credit may register for courses, but the individual can take no more than three noncredit courses in any one term, quarter or semester. There will be no restriction on the number of courses that may be taken for credit in any term, semester or quarter, or on the number of terms, semesters or quarters in which an eligible senior citizen may take courses for credit.

The two additional conditions listed below shall be met before a senior citizen may take a course under the provisions of this program:

1. The senior citizen shall meet the appropriate admission requirements of the institution in which the student plans to enroll, and
2. The senior citizen may be admitted to a course only on a "space-available" basis after all tuition-paying students have been accommodated.

An institution has no special obligation to offer courses specifically to meet the needs of senior citizens or to continue to provide a particular course for a senior citizen who has registered for the course if the regular enrollment in the course is not adequate to justify the offering.

#### § 3. Application.

A senior citizen who wishes to take courses under the provisions of the Senior Citizens Higher Education Act shall complete an application at the institution in which the person plans to enroll. The institution shall determine all aspects of the person's eligibility. The application process shall include a determination of income eligibility (review of an IRS 1040 form, for example), if the individual makes application to take courses for academic credit.

#### § 4. Inclusion of the senior citizen in an institution's FTE count.

Senior citizens shall be included in the FTES count effective July 1, 1986.

#### § 5. Reporting requirement.

As part of an institution's annual fall data collection and reporting effort to the Council of Higher Education, the



# Proposed Regulations

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*institution shall report the number of students, both a head count number and a FTES computation by semester or quarter, participating in the Senior Citizen Higher Education Program who received free tuition and fees according to the following classifications:*

*Senior citizens who took courses for academic credit;*

*Senior citizens who audited courses;*

*Senior citizens who took noncredit courses.*

## **§ 6. Notification to senior citizens.**

*As required in § 23-38.59 of the Code of Virginia, each state-supported institution shall prominently include in its catalogue a statement of the benefits available to senior citizens under this program.*

## **STATE WATER CONTROL BOARD**

**Title of Regulation:** VR 680-16-02. Roanoke River Basin Water Quality Management Plan.

**Statutory Authority:** § 62.1-44.15 of the Code of Virginia.

**Public Hearing Date:** September 11, 1986 - 7 p.m.  
(See Calendar of Events section for additional information)

### **Registrar's Notice:**

Due to its length, the proposed amendments to the Roanoke River Basin 303(e) Water Quality Management Plan (VR 680-16-02) filed by the State Water Control Board are not being published. However, in accordance with § 9-6.14:22 of the Code of Virginia, the summary is being published in lieu of full text. The full text of the regulation is available for public inspection at the office of the Registrar of Regulations and the State Air Pollution Control Board.

### **Summary:**

*Water Quality Management Plans set forth those measures to be taken by the State Water Control Board for reaching and maintaining applicable water quality goals both in general terms and numeric loadings for five day Biological Oxygen Demand (BOD5) in identified stream segments. These statements and loadings describe the water quality necessary to attain these water quality goals.*

*Section 62.1-44.15(3a) of the Code of Virginia authorizes the State Water Control Board to establish Water Quality Standards and Policies for any state waters consistent with the purpose and general policy of the State Water Control Law, and to modify, amend, or cancel any such standards or policies*

*established. Such standards or policies shall be adopted only after a hearing is held and the board takes into consideration the economic and social costs and benefits which can reasonably be expected to be obtained as a result of the standards or policies as adopted, modified, amended, or cancelled.*

*Section 62.1-44.15(13) of the Code of Virginia authorizes the establishment of policies and programs for area and basinwide water quality control and management.*

*The proposed amendment, to be implemented upon the construction of a new four million gallon per day (mgd) waste treatment facility owned by the Henry County Public Service Authority located in the Lower Smith River Segment, would decrease the existing allowable loading to the Upper Smith River Segment from 1,637 pounds of BOD5 per day to 1,070. The construction of a new four mgd waste treatment facility would be allowed in the lower segment and would thus increase the existing allowable loading to the Lower Smith River Segment from 1,500 pounds of BOD5 per day to 2,067. The owner of this new waste treatment facility would be required to establish an instream water quality monitoring program in order to signal the owner and the State Water Control Board should water quality degradation occur.*

*Should degradation occur, the owner would be required to initiate corrective measures to protect water quality and downstream beneficial uses. The revised loadings would decrease the allocated loading to the Henry County Public Service Authority's Upper Smith River STP from 1,134 pounds of BOD5 per day to 567 in the upper segment; and allow the additional loading of 567 pounds of BOD5 per day to the lower segment. This additional loading would be allocated to the newly constructed Lower Smith River STP.*

# FINAL REGULATIONS

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 115-04-12. Rules and Regulations for the Enforcement of the Virginia Gasoline and Motor Fuels Law.

**Statutory Authority:** §§ 59.1-153 and 59.1-156 of the Code of Virginia.

**Effective Date:** August 6, 1986  
(EXCEPT § 2.A.1.c. will become effective on January 1, 1987)

**Summary:**

Four specifications included in the 1969 regulations were deleted. "Pour Point", "Viscosity", "Carbon Residue" and "Ash" specifications for diesel fuel have historically been found to present no problems in Virginia. Two requirements were added to the regulations. Motor fuel registrants must include on their application for registration and post on all retail dispensing devices the percent of ethanol or methanol in the fuel if it is 1.0% or more of the mixture. Twelve specifications included in the 1969 regulations have been updated and adopted by reference to reflect the American Society of Testing and Materials (ASTM) current regional requirements. A mid-point maximum distillation specification has been added to insure good warm-up and acceleration properties in gasoline which will be effective January 1, 1987. The phrase "Or Dry Method For Oxygenated Fuels" was added to the ASTM method D-323 for determining Reid Vapor Pressure.

VR 115-04-12. Rules and Regulations for the Enforcement of the Virginia Gasoline and Motor Fuels Law.

**Regulation I:**

§ 1. Definitions.

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

"Commissioner" means the Commissioner of the Virginia Department of Agriculture and Consumer Services.

"Diesel fuel" means For the purpose of these Specifications and Rules and Regulations the term "Diesel Fuel", except as provided in Regulation III, apply only to liquids and fluids used, or intended to be used, for power

purposes in automotive internal combustion compression ignition engines, except as provided in subsection C of § 3 of these regulations, liquids used or intended for use for power purposes in automotive internal combustion compression ignition engines.

"Gasoline" means For the purpose of these Specifications and Rules and Regulations the term "Gasoline" shall, except as provided in Regulation III, C, apply only to liquids and fluids used, or intended to be used, as carburants for power purposes in automotive internal combustion spark ignition engines, except as provided in subsection C of § 3 of these regulations, liquids used or intended for use as carburants for power purposes in automotive internal combustion spark ignition engines.

"Virginia Gasoline Law" or "Law" means Chapter 12 (§ 59.1-149 et seq.) of Title 59.1 of the Code of Virginia.

**Regulation II:**

§ 2. Specifications for gasoline and diesel fuel.

A. Gasoline.

Gasoline shall meet the requirements of the following specification, specifications when tested in accordance compliance with the latest version of the American Society for Testing and Materials Methods of Tests (ASTM) specified below, with the exception of the test for water and sediment.

Test	ASTM Method
1. Distillation. ....	D86
Percent evaporated at 70°C (158°F)	
[ a. ] Percent evaporated during months of:	
January, February, November, and December at 50°C (122°F)	
Minimum .....	10%
March, April, and October at 55°C (131°F)	
Minimum .....	10%
May, June, July, August, and September at 60°C (140°F)	
Minimum .....	10%

# Final Regulations

Percent evaporated at 140°C (284°F)

[ b. ] Percent evaporated during months of:

January, February, November, and December at 110°C (230°F)

Minimum ..... 50%

March, April, and October at 113°C (235°F)

Minimum ..... 50%

May, June, July, August, and September at 116°C (240°F)

Minimum ..... 50%

Percent evaporated at 200°C (392°F)

[ c. Percent evaporated at 77°C (170°F) Maximum ... 50% Effective date January 1, 1987 ]

[ d. ] Percent evaporated at 185°C (365°F)

Minimum ..... 90%

End point, maximum 225°C (437°F)

Residue, percent maximum ..... 2%

2. Reid Vapor Pressure at 100°F, PSI ..... D323

[ or Division of Consolidated Laboratories dry method for oxygenated fuels ]

Maximum during the months of November, December, January, and February ..... 15.0

Maximum during the months of November and March ..... 14.0

Maximum during the months of September, October, April, and May March, April,

and October ..... 13.0 13.5

Maximum during the months of May, June, July, August, and September ..... 10.5 11.5

3. Sulfur, maximum percent ..... 15 D2622

by weight ..... (D1266 shall be the referee method)

4. Corrosion, ASTM Copper Strip ..... D130 122°F.

Corrosion Scale, maximum ..... No. 1 Strip

5 3. Undissolved water and sediment, percent by

volume, maximum ..... 0.01 %  
VDACS  
Method of Test

6 4. Existent Gum, mg.

per 100 ml., maximum ..... 5 D381

7 5. The octane number ..... D2699 shall not be more than one ..... or D2722 octane number below the octane ..... and D2700 number filed in connection with registration.

8 6. Gasoline labeled as ..... Lead: D3237 "unleaded" "no lead" or "lead free" ..... Phos: D3231 shall not contain more than 0.05 grams lead per gallon and not more than 0.005 grams of phosphorus per gallon.

B. Diesel fuel.

Diesel fuel shall meet the requirements of the following specifications ; when tested in accordance compliance with the latest version of the American Society for Testing and Materials Methods of Tests specified below.

Test ..... ASTM Method

1. Flash Point, deg. F minimum ..... 110 D93

(If registered and labeled as #1 Diesel) 100°F  
(If registered and labeled as #2 Diesel) 125°F

2. Pour Point, deg. F, maximum ..... +20 D97

3. Viscosity, Saybolt Universal ..... 45 D88 at 100°F, maximum ..... seconds

4 2. Water and Sediment, percent by volume, maximum ..... 0.05 % D1796

5 3. Sulfur, percent by ..... 0.5 % D2622(D129 shall be the weight maximum ..... referee method)

6. Carbon Residue on 10 percent residuum, per cent maximum ..... 35 D524

7. Ash, per cent maximum ..... 0.01 D482

8 4. Cetane Number, minimum ..... 40 D613

9 5. 90 percent Distillation ..... 675°F Point, deg. F maximum ..... 640°F D86

10 6. Corrosion - ASTM Copper Strip Scale, maximum ..... No. 3 D130 3 hrs. at 50°C

## Regulation III.

### § 3. Labeling.

#### A. Gasoline.

Each and Every dispensing pump or other dispensing device used in the retail sale of gasoline shall be plainly and conspicuously labeled with the brand ; name or trade name of the gasoline, and if the product contains 1.0% or more of ethanol or methanol, a label identifying the kind of alcohol and the percentage of each shall be posted in letters not less than one inch in height.

#### B. Diesel fuel.

Each and Every dispensing device used in the retail of diesel fuel shall be plainly and conspicuously labeled with , in letters not less than one inch in height , with the words "Diesel fuel" and . The device shall also be labeled with the brand name ; or trade name of the diesel fuel being dispensed therefrom . Labeling of said dispensing device with the brand; name or trade name of the diesel fuel being dispensed there from when the word "diesel" appears as part of said brand; name or trade name shall be deemed full compliance with the provision herein requiring the use of the words "Diesel Fuel" provided the word "Diesel" is spelled out with letters not less the one (1) inch in height When the word "diesel" appears in letters at least one inch high as part of the brand name or trade name on the dispenser, this labeling shall be considered sufficient compliance with the requirements of this provision .

#### C. Power fuels for nonhighway use.

Each and Every dispensing device or container used in the retail sale of gasoline ( as defined in § 59.1-149 of Chapter 12 of Title 59.1 of the 1950 Code of Virginia ) and intended for nonhighway use shall be plainly and conspicuously labeled with ; in letters not less than one inch in height , "Aviation Gasoline", "Marine Gasoline", "Marine Diesel Fuel" or a another term approved by the commissioner ; which clearly identifying identifies the product.

## Regulation IV.

### § 4. Registration of gasoline and diesel fuel.

A. All manufacturers, wholesalers and jobbers before selling or offering for sale in this state any gasoline or diesel fuel shall file the following information with the Commissioner upon forms furnished by the Commissioner. Before selling or offering for sale any gasoline or diesel fuel in this Commonwealth, these products shall be registered with the Virginia Department of Agriculture and Consumer Services. The following information shall be included on forms provided by the commissioner:

1. The name and address of the registrant.

2. The brand ; name or trade name under which the gasoline or diesel fuel will be offered for sale or sold.

3. The octane number of each gasoline as determined by the latest version of ASTM Research Method D008 or D1656, whichever is applicable D2699 and ASTM Motor Method D2700, and expressed as an average of the two methods  $(R+M)/2$  .

4. A statement that the gasoline or diesel fuel will comply with the requirements of the Virginia Gasoline Law and the specifications and , rules , and regulations adopted under §§ 59.1-153 and 59.1-156 of the Code of Virginia .

5. The percentage and kinds of alcohol included in the gasoline.

B. If any of the information required under subsection A above ceases to be factual and no longer applicable to any product, the registrant shall, prior to the sale or distribution of that product, file a new registration which shall supersede all previous registration.

## Regulation V.

### § 5. Gasoline and diesel fuel condemned.

When a sample of gasoline or diesel fuel has been drawn by an inspector and found not to conform with the requirements of the Virginia Gasoline Law, Chapter 12 of Title 59.1 of the Code of Virginia (1950) as amended and the specifications and , rules and regulations adopted under §§ 59.1-153 and 59.1-156 of the said Law Code of Virginia , a Stop Sale, Use or Removal Order shall be issued and . The fill cap, pump, delivery line , or any other means for of withdrawing the contents of the tank or affected container from which said sample was drawn may be sealed by an inspector ; and . The contents shall not be removed except under the following conditions:

#### A. Age or staleness.

If the gasoline or diesel fuel does not meet the requirements of the Virginia Gasoline Law and Specifications and Rules and Regulations due to age or staleness and not by the addition or substitution of any other material including gasoline or diesel fuel of a lower quality; when requested, the Commissioner shall grant permission to the owner to blend it with a gasoline or diesel fuel of such quality as will bring it within the requirements of the Law and the Specifications and Rules and Regulations and request that an Inspector take another sample and if the gasoline or diesel fuel is then found to meet the requirements of the Virginia Gasoline Law and the Specifications and Rules and Regulations the Commissioner shall release the gasoline or diesel fuel for sale in Virginia The commissioner may grant permission to the owner to blend aged or stale gasoline or diesel fuel with the fuel of sufficient quality to bring it up to standard. If a second sampling shows that the gasoline or

# Final Regulations

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*diesel fuel meets the requirements, the commissioner shall release it for sale in Virginia .*

## B. Adulteration.

If the gasoline or diesel fuel does not meet the requirements of the Virginia Gasoline Law and the specifications and , rules and regulations due to adulteration by substituting other materials , including gasoline or diesel fuel of a lower quality, the commissioner shall notify the registrant ; or his local representative ; of the said gasoline or diesel fuel and request his cooperation in determining how such the source of the adulteration was accomplished .

The said gasoline or diesel fuel may be released by the commissioner to be returned to the manufacturer, producer, or refiner , or to be disposed of in a manner approved by the commissioner provided that . Prior to its release of the gasoline or diesel fuel , the commissioner shall be furnished given an affidavit stating that the gasoline or diesel fuel will not be distributed for sale, offered for sale or sold in Virginia for use as a fuel in internal combustion engines , and further also stating the disposition of the gasoline or diesel fuel.

## Regulation VI.

§ 6. Publication of information filed in connection with registration and results of tests of official samples.

From time to time, the commissioner shall ; from time to time; publish in a bulletin of the Department of Agriculture and Commerce Consumer Services the names of registrants, the brands, names or trade names of gasoline and diesel fuel registered, the octane number as filed in connection with the registration of gasoline, the results of tests of official samples found to be in violation , and other data ; as will which may be of information useful to consumers of gasoline and diesel fuel.

Board of Agriculture and Consumer Services

Adopted April 22, 1969

NOTE: These rules and regulations replace those heretofore in effect entitled "Specifications, Rules and Regulations of Gasoline and Diesel Fuels" adopted by the Board on September 28, 1964 and which were repealed upon the effective date of these rules and regulations.

Procedures used in sample preparation and analysis for enforcement of these regulations are available from:

American Society for Testing and Materials  
1916 Race Street  
Philadelphia, Pennsylvania 19103

# EMERGENCY REGULATION

## ALCOHOLIC BEVERAGE CONTROL BOARD

**Title of Regulation:** VR 125-01-5. § 17 Caterer's License.

**Statutory Authority:** § 4-7 of the Code of Virginia.

**Effective Date:** July 1, 1986

### ORDER ADOPTING EMERGENCY REGULATION NO. A-247

WHEREAS, §§ 4-98.2, 4-98.7, 4-98.11 and 4-98.18 of the Code of Virginia were amended to authorize the Board to grant a mixed beverage caterer's license to any person engaged on a regular basis in the business of providing food and beverages to persons for service at certain private gatherings, or at certain special events, and

WHEREAS, the Board is of the opinion that an emergency situation exists because the amended statute does not contain sufficient guidelines for such licensees; that such regulation is necessary to provide guidance to those affected by the changed statute; that the statutory amendments become effective July 1, 1986, and a permanent regulation could not be adopted until November 1, 1986; and it is therefore necessary that a regulation be adopted to provide immediate guidance to those persons affected by the statute from July 1, 1986, until such time as a permanent regulation can be adopted;

IT IS ORDERED that, pursuant to the provisions of §§ 4-7, 4-11(a), 4-98.2, 4-98.7, 4-98.11, 4-98.18 and 9-6.14:9, Virginia Code, the following regulation be, and the same is hereby, adopted, effective July 1, 1986:

VR 125-01-5. § 17 Caterer's License.

A. Qualifications. Pursuant to § 4-98.2(e) of the Code of Virginia the Board may grant a caterer's license to any person:

1. Engaged on a regular basis in the business of providing food and beverages to persons for service at private gatherings, or at special events as defined in § 4-2 of the Code of Virginia or as provided in § 4-98.2(c) of the Code of Virginia, and

2. With an established place of business and who has complied with the requirements of the local governing body concerning sanitation, health, construction or equipment and who has obtained all local permits or licenses which may be required to conduct such a catering business.

B. Privileges. The license authorizes the following:

1. The purchase of spirits, vermouth and wine produced by farm wineries from the Board.
2. The purchase of wine and cider from licensed

wholesalers or farm wineries or the purchase of beer or 3.2 beverages from licensed wholesalers.

3. The retail sale of alcoholic beverages or mixed beverages to persons who sponsor the private gatherings or special events described in subsection A above or directly to persons in attendance at such events. No banquet or mixed beverage special events license is required in either case.

4. The storage of alcoholic beverages purchased by the caterer at the established place of business.

C. Restrictions and conditions. In addition to other applicable statutes and regulations of the Board, the following restrictions and conditions apply to persons licensed as caterers:

1. Alcoholic beverages may be sold only for on-premises consumption to persons in attendance at the gathering or event.

2. The records required to be kept by § 9 of VR 125-01-7 shall be maintained by caterers. If the caterer also holds other alcoholic beverages licenses he shall maintain the records relating to his caterer's business separately from the records relating to any other license. Additionally, the records shall include the date, time and place of the event and the name and address of the sponsoring person of each event catered.

3. The annual gross receipts from the sale of food cooked and prepared for service at gatherings and events referred to in this regulation and nonalcoholic beverages served there shall amount to at least 45% of the gross receipts from the sale of alcoholic beverages, mixed beverages, beverages as defined in § 4-99 and food.

4. The caterer shall notify the Board in writing at least four calendar days in advance of any event to be catered under his license. The notice shall include the date, time, location and address of the event and the name of the sponsoring person, group, corporation or association.

5. Persons in attendance at an event at which alcoholic beverages are sold under the caterer's license may keep and consume their own lawfully acquired alcoholic beverages.

6. The private gathering referred to in A above shall be a social function which is attended only by persons who are specifically and individually invited by the sponsoring person, not the caterer.

7. The caterer shall insure that all functions at which alcoholic beverages are sold are ones which qualify for a banquet license for a banquet or a special event or a mixed beverage special events license.

# Emergency Regulation

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8. A certified photocopy of the caterer's license must be present at all events at which the privileges of the license are exercised. The licensee, a partner or a corporate officer or director shall certify the copy.

9. The caterer's license shall be considered a retail license for purposes of § 4-79 of the Code of Virginia. However, the exceptions to § 4-79 provided for banquet or mixed beverage special events licenses shall be applicable to a caterer's license.

The Board will receive, consider and respond to petitions by any interested persons at any time for reconsideration or revision of this regulation.

IT IS FURTHER ORDERED that this order be filed forthwith in the manner prescribed by the Code of Virginia and copies be forwarded to interested parties in the Commonwealth.

Enter: Virginia Alcoholic Beverage Control Board

/s/ J. David Shobe, Chairman

Attested:

/s/ Robert N. Swinson, Assistant Secretary  
Date: May 14, 1986

Approved:

/s/ Vivian E. Watts  
Secretary of Transportation and Public Safety

Approved:

/s/ Gerald L. Baliles, Governor

Filed:

/s/ Joan W. Smith  
Registrar of Regulations  
Date: June 13, 1986

## DEPARTMENT OF CORRECTIONS

Title of Regulation: VR 230-40-003. Minimum Standards for Post Disposition Confinement for Secure Detention and Court Service Units.

Statutory Authority: § 16.1-284.1 E, of the Code of Virginia.

Effective Date: June 11, 1985 through March 11, 1987.

### PREAMBLE

*The statutory addition of § 16.1-284.1 of the Code of Virginia, effective July 1, 1985, requires that secure local facilities be in compliance with standards*

*established by the Board for such placements prior to a child being ordered confined to such a facility pursuant to this section. The standards shall have regard for reasonable utilization of the facilities. The statute authorizing post dispositional confinement as a sentencing alternative was effective July 1, 1985. That statute also mandated that the State Board promulgate standards to ensure the availability and reasonable access of each court to the use of facilities that are authorized by Code to provide post dispositional sentencing. Emergency regulations are necessary for the courts to begin utilizing the post dispositional sentencing alternative which was authorized by the Code of Virginia, July 1, 1985.*

*The State Board of Corrections acting pursuant to § 53.1-5 of the Code of Virginia does hereby promulgate this emergency regulation.*

*This emergency regulation shall terminate March 11, 1987, or upon the earlier effective date of a similar regulation to be promulgated through the full Administrative Process Act.*

### PART 1. FOREWORD.

§ 1.1. These standards are proposed as criteria for the use of § 16.1-284.1 ("Placement in a secure local facility") as a dispositional alternative. Changes in the Juvenile and Domestic Relations District Court Law have resulted in the removal of certain children from institutions, jails and detention homes over recent years. Prior to the enactment of this Code section, all such changes continued to restrict detention populations to children in a predispositional status, or those committed to the Department of Corrections. The deinstitutionalization process has, however, highlighted two segments of the juvenile court caseload that are the focus of this section: criminal offenders for whom a relatively brief period of confinement may be a deterrent to continued delinquency, and repeated criminal offenders who appear amenable to treatment locally, but for whom controlling measures are necessary while treatment is attempted. These standards address primarily the latter group, respect both the treatment and control needs of such children, provide a framework within which individual needs may be assessed and met, and emphasize the mutual responsibilities of involved service providers.

Implementation of this Code section will result in new roles for court service units, detention homes, and community treatment programs that have traditionally served delinquent youth. The proposed standards stress the local initiatives, communication and cooperation that will be essential to the effective assumption of those roles. The Standards for Secure Detention, adopted by the Board of Corrections, on February 11, 1981, and Minimum Standards for Court Services, adopted by the Board of Corrections, on January 12, 1983, remain applicable to facilities receiving children under this regulation.

# Emergency Regulation

## Article 1. Definitions.

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

"Community treatment programs" means programs and services which also serve children who are not being held in secure custodial facilities and in which sentenced children may participate.

"Community treatment service plan" means a written plan stating the purpose(s) of confinement and treatment, objectives to be attained by the child, methods by which objectives are to be accomplished, the responsibilities of the agencies and individuals involved, and the means by which progress will be evaluated.

"Marked law-enforcement vehicle" means any vehicle displaying the emblem or designation of a law-enforcement agency.

"Sentenced child/children" means a child ordered confined pursuant to § 16.1-284.1.

"Staff meeting" means a meeting of the representatives of the court service unit of the committing court and the secure facility, for the purpose of developing the community treatment service plan.

## Article 2. Application.

§ 1.3. Primary responsibility for application of these standards shall be with secure detention facilities and court service units of the Juvenile and Domestic Relations District Courts.

## PART II. STANDARDS.

§ 2.1. There shall be a written agreement between the detention home and the court service unit of the committing court, defining working relationships and responsibilities for the implementation of the community treatment service plan for sentenced children.

§ 2.2. Children sentenced for more than 30 days shall receive the services of one or more community treatment programs during their confinement. Such programs and services shall include those which also serve children who are not being held in secure custodial facilities.

§ 2.3. The detention home shall designate a staff member as having primary responsibility for the coordination of services for each sentenced child as defined in the Community Treatment Service Plan.

§ 2.4. The Court Service Unit of the committing court shall designate a staff member as having primary responsibility

for the coordination of services for each sentenced child as defined in the Community Treatment Service Plan.

§ 2.5. A staff meeting regarding children sentenced for more than 30 days shall be held no later than the fifth working day of the child's confinement. Representatives of the court service unit and the secure facility shall participate. The child, parent(s)/legal guardian and community treatment program(s) shall be informed of the staff meeting no less than 48 hours in advance, and may be present or represented.

§ 2.6. The staff meeting regarding a sentenced child shall result in a community treatment service plan stating the purpose(s) of confinement and treatment, objectives to be attained by the child, methods by which objectives are to be accomplished, the responsibilities of the agencies and individuals involved, and the means by which progress will be evaluated. The final plan shall be forwarded to all involved parties within three working days of the staff meeting.

§ 2.7. At the time of admission of any sentenced child, the court service unit shall provide the secure facility with a copy of the court order, the child's most recent social history, and any other written information considered by the court during the sentencing hearing.

§ 2.8. The detention home shall provide counseling to children serving sentences to aid in the child's adjustment to the secure setting and to enhance progress in any community treatment program involvement.

§ 2.9. Children sentenced to more than 30 days shall, beginning no later than the initial 30 day court review, be temporarily released at least once every seven days for purpose(s) specified in the community treatment service plan. All such releases shall be documented in a central log or case record. Use of uniformed law-enforcement officers, or physical restraining devices, or marked law-enforcement vehicles shall not constitute a release for Community Treatment Service Plan purposes.

§ 2.10. A detention home approved to hold sentenced children shall not use more than 20% of its rated capacity for such children at any one time, and such sentenced child/children shall not be placed when the detention home is at capacity.

Approved and adopted by the Board of Corrections on January 15, 1986.

Submitted by:

/s/ John W. Williams, III, Chairman

Approved by:

/s/ Vivian E. Watts, Secretary

Department of Transportation and Public Safety  
Date: March 28, 1986



# Emergency Regulation

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/s/ Gerald L. Baliles, Governor  
Date: June 9, 1986

Filed:

/s/ Joan W. Smith  
Registrar of Regulations  
Date: June 11, 1986 - 9:33 a.m.

# STATE CORPORATION COMMISSION

## STATE CORPORATION COMMISSION

### Bureau of Insurance

May 11, 1986

Administrative Letter 1986-6

**TO:** All Insurance Companies, Prepaid Health Care Plans, Health Maintenance Organizations and Continuing Care Providers.

**RE:** Legislation enacted by the 1986 Session of the General Assembly of Virginia.

Attached are summaries of certain statutes enacted or amended and reenacted by the General Assembly of Virginia during the 1986 Session. The bill that recodified Virginia's insurance laws (SB 250) is not included in these summaries. A summary of the major changes under the recodification bill will be sent to you under separate cover. Please be advised that all sections of Title 38.1 will be renumbered under the new Title 38.2 as part of the recodification process.

The effective date of these statutes is July 1, 1986 EXCEPT as otherwise indicated in the attachment.

Each organization to which this letter is being sent should review the attachment carefully and see that notice of these laws is directed to the proper persons (including its licensed representatives) to insure that appropriate action is taken to effect compliance with these new legal requirements.

/s/ James M. Thomson  
Commissioner of Insurance

#### Attachment

Summary of 1986 Insurance Legislation  
Commonwealth of Virginia

(All Bills Effective July 1, 1986 Unless Otherwise  
Noted)

#### PROPERTY AND CASUALTY INSURANCE

##### Senate Bill 92

**Temporary Substitute Vehicles.** This bill amends § 8.01-66 by providing that any failure or refusal of an insurer to provide a temporary substitute vehicle to any person that is entitled to such recovery shall render the insurer liable for the greater of \$500 or double the amount of the rental cost if such failure or refusal is not made in good faith. However, if any action brought against an insurer under this provision is found to be frivolous or to have not been brought in good faith, the court may require the plaintiff to pay reasonable attorney's fees incurred by the insurer

subject to a \$200 maximum.

##### Senate Bill 293

**Cancellation of Vanpool Vehicles.** This bill amends the Code of Virginia by adding a new section numbered 38.1-381.11 which prohibits automobile insurers from canceling or nonrenewing policies that insure vehicles used in vanpooling as defined in § 56-274 and where these vehicles are used to transport commuters to and from work, except where the insured has failed to pay his premium or where the driving record of the named insured or any regular driver is such that it substantially increases the risk. In addition, on and after July 1, 1986, no insurer that issues or renews a policy of motor vehicle liability insurance insuring a vehicle not being used for vanpooling at the time of such issuance or renewal shall be subject to the provisions of this bill unless the insurer receives by certified mail thirty days' written notice that the insured intends to use the vehicle for vanpooling. The provisions of this bill expire on July 1, 1987.

##### House Bill 140

**Notice of Cancellation of Commercial Liability Insurance Policies.** This bill amends the Code of Virginia by adding a section numbered 38.1-43.01 which requires insurers to give forty-five days written notice of cancellation or nonrenewal of commercial liability insurance policies. However, where termination is for nonpayment of premium only fifteen days notice is required. The insurer is also required to give the reasons for termination, send the notice in essentially the same manner prescribed for personal auto policies, and advise the insured of his right to a review by the Commissioner of Insurance.

This bill applies only to notices sent on or after July 1, 1986. These notices must be approved by the Commission prior to use. The Bureau of Insurance will be prescribing a model notice form that may be used by all insurers. A separate Administrative Letter setting forth this model form will be mailed to all property and casualty insurers licensed in Virginia.

##### House Bill 466

**Workers' Compensation Benefits.** This bill amends § 65.1-46 of the Code of Virginia and adds § 65.1-46.1 to the Code to address workers' compensation coverage for an ordinary disease of life. The bill is intended to place the Industrial Commission in a position that it occupied prior to a line of cases decided by the Supreme Court of Virginia beginning with the case of Western Electric Company v. Gilliam, 229 Va. 245 (1985). The effect of those opinions was to remove from compensability any ordinary disease of life either contracted in the employment place or aggravated by the employment place.

The amendment to § 65.1-46 sets the evidentiary standards to establish that a disease is indeed occupational and compensable and excludes any conditions of the neck,

# State Corporation Commission

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back, or spinal column because of concern of the possible proliferation of claims which might arise as a result of the aging process and injuries incurred over a cumulative period of time without a traumatic incident. Ordinary diseases of life are excluded from this section.

The addition of § 65.1-46.1 recognizes that under certain circumstances ordinary diseases should be covered and sets the evidentiary standards by which an ordinary disease of life can be found compensable.

## House Bill 601

Insurance Business of a Bank Subsidiary. This bill broadens the ability of banks to transact insurance by amending § 6.1-58.2 to allow them to insure the liability risks associated with such banks, their holding companies, their affiliates, and their officers and directors through controlled subsidiary corporations.

## House Bill 732

Motor Vehicle Liability. This bill amends paragraph (a) of § 38.1-381 by providing that where an "...insurer has elected to provide a defense to its insured... and files responsive pleadings in the name of its insured, the insured shall not be subject to sanctions for failure to comply with discovery... unless it can be shown that the suit papers actually reached the insured, and that the insurer has failed after exercising due diligence to locate its insured, and as long as the insurer provides such information in response to discovery as it can without the assistance of the insured."

## LIFE AND HEALTH INSURANCE AND PREPAID HEALTH CARE PLANS

### House Bill 290

Failure to Remit Group Health Care Premiums. This bill amends § 38.1-356.01 by increasing the penalty from a Class 3 misdemeanor to a Class 1 misdemeanor for an employer who collects from his employees any part of the cost of (i) group health insurance, (ii) prepaid hospital and medical coverage, or (iii) providing medical care or reimbursement for medical care as a self-insurer, and knowingly fails to remit the funds to the insurer or plan in accordance with the policy or contract provisions. (A Class 3 misdemeanor is punishable by a fine of not more than \$500; a Class 1 misdemeanor is punishable by confinement in jail for not more than 12 months and a fine of not more than \$1000, either or both.)

### House Bill 762 (Effective 2/19/86)

S.C.C. Approval of Mergers Required. This bill amends the Code of Virginia by adding a section numbered 38.1-812.1 which requires the Commission's prior approval of mergers involving prepaid hospital, medical and surgical service corporations. The Commission shall approve a proposed merger unless it finds that:

1. The new or surviving corporation would not be able to meet the requirements for licensure;
2. The merger would lessen competition substantially or tend to create a monopoly in health care benefits;
3. The financial condition of any party to the merger might jeopardize the financial stability of the new or surviving corporation or prejudice the interest of the subscriber;
4. The plans of the new or surviving corporation to liquidate, sell its assets, merge or make any other material change in its business or corporate structure or management are unfair and unreasonable to subscribers and not in the public interest.
5. The competence, experience and integrity of the persons who would control the new or surviving corporation are such that it is not in the interest of the subscribers or public interest to permit the merger; or
6. The new or surviving corporation's surplus to subscribers would not be reasonable in relation to its outstanding liabilities or adequate to its financial needs.

### House Bill 844

Medical Assistance Exclusion Prohibited. This bill:

1. Adds a new section numbered 32.1-325.1 which provides that medical insurance carriers are prohibited from including any clause in health care insurance contracts which would exclude payment for health care to individuals eligible for medical assistance. This section also provides that the Department of Medical Assistance Services will be the payor of last resort to any health insurance carrier that contracts to pay health care costs for persons eligible for medical assistance in the Commonwealth;
2. Amends § 38.1-348, which applies to individual accident and sickness insurance policies, to require such policies to contain a statement about the provisions in § 32.1-325.1; and
3. Makes § 38.1-348 applicable to Blue Cross/Blue Shield associations by amending § 38.1-818.

## HEALTH MAINTENANCE ORGANIZATIONS

### Senate Bill 169 and House Bill 604

Certain Definitions Amended. Both bills amend the definitions in § 38.1-863 of the HMO chapter so that:

1. "Basic health care services" includes limited treatment of mental illness and substance abuse in accordance with such minimum standards as may be

# State Corporation Commission

prescribed by the Commission. The minimum standards shall not exceed the level of services mandated for insurance carriers pursuant to Article 2 of Chapter 8 of Title 38.1; and

2. The word "nominal" is deleted from the definition of "Copayment".

## House Bill 285

**Medical Malpractice.** This bill amends the medical malpractice chapter of Title 8.01, which provides for a review of medical malpractice claims, to include a health maintenance organization in the definition of "health care provider."

## TITLE INSURANCE

### House Bill 595 (Effective 1/1/87)

**Title Insurance Agents.** This bill amends § 38.1-327.15 of the agent licensing chapter and adds a new section numbered 38.1-327.15:1. The new section requires individuals desiring to become title agents to pass an examination prior to being licensed to solicit, negotiate or effect title insurance. Title agents will also be required to supply the Commission with proof of financial responsibility on an annual basis. Each year title companies must supply the Commission with a list of all of their title agents in Virginia. Officers or employees of a title company who are not agents of a title insurance company are exempt from the new section. Title agents who are presently licensed will have to meet the new requirements by January 1, 1988.

### House Bill 690

**Unearned Premiums.** This bill revises the unearned premium reserve requirement for title insurers. A new section numbered 38.1-730.1 is added and §§ 38.1-730, 38.1-731 and 38.1-732 are repealed. Under the new provisions, the amount of unearned premiums initially posted shall equal \$1.50 for each title insurance contract plus \$.125 per \$1,000 of net retained liability under each contract. Unearned premiums shall then be amortized over twenty years with fifty percent of the unearned premium being amortized in the first five years and the remainder being amortized over the next fifteen years.

## CONTINUING CARE PROVIDERS

### Senate Bill 65

**Escrow of Entrance Fee, etc.** This bill substantially amends the Continuing Care Provider Registration and Disclosure Act. The changes are as follows:

1. The bill adds a new section numbered 38.1-959.1 which requires continuing care providers to hold prepaid entrance fees in excess of \$1,000 in escrow until the prospective resident's living facility is

available for occupancy. For the purpose of the new escrow section, any prepayment in excess of \$5,000 shall be considered an entrance fee.

2. Section 38.1-955 is amended to the effect that a facility will be required to charge an entrance fee before it will be considered a continuing care provider. Payment of periodic charges without an entrance fee will not bring a facility under the continuing care provider statutes.

3. The estimated current monthly cost to the provider for providing the care will not need to be specified in each contract under § 38.1-960.

4. Material misrepresentation is added as an authorized good cause for a provider to cancel a continuing care contract under § 38.1-960.

### House Bill 455

**Certain Providers Exempted.** This bill adds a new section numbered 38.1-972 to the Code of Virginia which exempts certain providers from the Continuing Care Provider Registration and Disclosure Act. Those providers that do not charge an entrance fee and which only accept government transfer payments, contributions from charitable organizations and third party health care coverages as their regular periodic payments will be exempted.

## TORT REFORM, INSURANCE AVAILABILITY, AND OTHER BILLS OF GENERAL INTEREST

### Senate Bill 102 and House Bill 93

**Medical Malpractice.** This bill amends § 8.01-38 by clarifying the statutory limit of tort liability for certain charitable hospitals. The section is amended so that a charitable hospital, as defined in § 32.1-123 of the Code of Virginia, that is insured for negligence or other tort in an amount not less than \$500,000 for each occurrence shall not be liable for damages in excess of its liability insurance limits or in medical malpractice actions the lesser of such liability insurance limits or one million dollars.

The bill also amends § 8.01-243 by extending the statute of limitations period beyond two years in certain medical malpractice cases involving foreign objects being left in the patient's body and in cases involving fraud, concealment, or intentional misrepresentation which prevents discovery of the injury within the two-year period. In each case the limitations period is extended one year from the date the object or injury is discovered or should have been discovered, but is also limited to ten years from the date the cause of action accrues. However, in the case of minors, the provisions of § 8.01-229 apply to toll the statute of limitations.

# State Corporation Commission

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## Senate Bill 137 and House Bill 460 (Effective 4/7/86)

**Group Self-Insurance Pools for Municipalities.** Both bills amend Title 15.1 of the Code of Virginia by adding a new chapter, Chapter 11.1 (§ 15.1-503.4:1 et seq.), which allows local governments to form group self-insurance pools for the purpose of providing risk management and insurance coverage for pool members and their employees for acts or omissions arising out of the scope of their employment. These pools are specifically authorized to write:

1. Casualty insurance, including general and professional and public officials liability coverage;
2. Property insurance, including marine insurance and inland marine and transportation insurance coverage;
3. Group life, accident and health coverages including hospital, medical, surgical and dental benefits to the employees of member political subdivisions and their dependents;
4. Automobile insurance, including motor vehicle liability insurance coverage and collision and security for motor vehicles owned or operated, as required by Title 46.1 of the Code of Virginia, and protection against other liability and loss associated with the ownership and use of motor vehicles;
5. Surety and fidelity insurance coverage; and
6. Umbrella and excess insurance coverages.

These pools are not authorized to write workers' compensation insurance.

The bills contain a number of provisions relating to the authority and duties of any such pools. The regulation of these pools is assigned to the Commission which is authorized to establish reasonable requirements and regulations for the approval and monitoring of such pools.

## Senate Bill 144

**Coverage for Local Electoral Boards.** This bill amends § 2.1-526.8 by adding local electoral boards, electoral board members, and general registrars to the state insurance plan to provide professional liability protection for any acts or omissions made in the performance of their duties in the course of employment or authorization.

## Senate Bill 188

**Medical Malpractice Review Boards.** This bill amends Chapter 21.1 of Title 8.01 of the Code of Virginia by adding a new section numbered 8.01-581.19:1. This section provides immunity from civil liability to persons who provide information to certain medical review boards or committees regarding the investigation of complaints against certain practitioners. Immunity does not apply in cases where the information has been given in bad faith

or with malicious intent, or where disclosure of such information is prohibited by federal law or regulations.

## Senate Bill 227 (Effective 3/4/86)

**Automobile Financial Responsibility.** This bill amends Title 46.1 by requiring an annual assessment to be levied against the cash or securities which are deposited with the State Treasurer as proof of financial responsibility. The bill also makes the nonpayment of such assessment grounds for suspension of the driver's license, registration certificates, and registration plates.

## Senate Bill 275 and House Bill 624

**Transportation District Liability.** This bill amends §§ 8.01-195.2 through 8.01-195.8 by extending the limit of liability presently applicable to the Commonwealth of Virginia to Virginia's transportation districts and to any person, firm, corporation or partnership performing a service pursuant to a contract with a transportation district. It does not extend the limit of liability to agents or employees. The limit of liability is \$25,000 or the maximum limits of any liability policy in force, whichever is greater.

## Senate Bill 337 (Effective 3/15/86)

**Liability Insurance Plans for Political Subdivisions.** This bill amends Chapter 32 of Title 2.1 of the Code of Virginia by adding a new section numbered 2.1-526.8:1 which provides for the establishment of an insurance plan by the State's Division of Risk Management. This insurance plan shall be available to any county, city, or town, as well as many other state or municipal entities. The insurance plan may provide coverage through purchased insurance, self-insurance, or a combination of purchased insurance and self-insurance.

## House Bill 401 (Effective 4/16/86)

**Fidelity Coverage for Savings and Loans Associations.** This bill amends § 6.01-194.20 to allow the Commission's Bureau of Financial Institutions to permit a savings and loan association which cannot obtain fidelity coverage on its officers and employees to continue to operate until such time as such fidelity coverage becomes available.

## House Bill 585

**Uninsured Motor Vehicles.** This bill amends §§ 46.1-167.1 and 46.1-167.3 by making a person who is not the titled owner of an uninsured motor vehicle but who is an operator of such a vehicle guilty of a traffic infraction if that person knows the required uninsured motorist fee has not been paid. The fine shall not exceed \$500. In addition, any person convicted of violating § 46.1-167.3 shall have his license suspended for thirty days.

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# State Corporation Commission

## Bureau of Insurance

May 19, 1986

Administrative Letter 1986-7

TO: All Companies Licensed to Write Automobile Liability Insurance in Virginia

RE: Cancellation of Vanpool Vehicles

The 1986 Virginia Legislature passed Senate Bill 293 concerning the cancellation of vanpool vehicles. A copy of Senate Bill 293 is reproduced on the back of this letter for your reference.

This bill, effective July 1, 1986, amends the Code of Virginia by adding a new section numbered 38.1-381.11 which prohibits automobile insurers from cancelling or nonrenewing policies that insure vehicles used in vanpooling as defined in § 56-274 and where these vehicles are used to transport commuters to and from work on a regular basis, except where the insured has failed to pay his premium, or any installment thereof, or where the driving record of the named insured or any regular driver is such that it substantially increases the risk. In addition, on and after July 1, 1986, no insurer that issues or renews a policy of motor vehicle liability insurance insuring a vehicle not being used for vanpooling at the time of such issuance or renewal shall be subject to the provisions of this bill unless the insurer receives by certified mail 30 days' written notice that the insured intends to use the vehicle for vanpooling. The provisions of § 38.1-381.11 expire on July 1, 1987.

The State Corporation Commission will not be preparing Standard Form changes for this Section. All companies will be expected to abide by the provisions of § 38.1-381.11 even though the forms will not reflect said provisions.

/s/ James M. Thomson  
Commissioner of Insurance

1986 SESSION  
VIRGINIA ACTS OF ASSEMBLY - CHAPTER 612

An Act to amend the Code of Virginia by adding a section numbered 38.1-381.11, requiring automobile insurers to renew coverage for vanpools; exceptions.

REENROLLED [S 293]

Approved April 16, 1986

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 38.1-381.11 as follows:

§ 38.1-381.11. Insurers required to renew motor vehicle liability coverage for vanpools; exceptions.—A. As used in this section, "vanpooling" means the type of joint arrangement as defined in paragraph 10 of § 56-274 and where such motor vehicles are used to transport commuters to and from their places of employment on a regular basis. "Motor vehicle" as used in

this section shall mean any motor vehicle designed to transport not less than ten nor more than fifteen passengers in fixed seats.

B. No insurer as defined in § 38.1-381.5 shall cancel or refuse to renew a policy of liability insurance coverage for motor vehicles used in vanpooling as defined in subsection A of this section for a period of one year following the effective date of this section except for one or both of the following specified reasons:

1. The named insured fails to discharge when due any payment of the premium for the policy or any installment thereof; or

2. The driving record of the named insured or any regular driver is such that it substantially increases the risk.

C. Notwithstanding any provision of this section, on and after July 1, 1986, no insurer who issues or renews a policy of motor vehicle liability insurance to an insured who intends to use a vehicle for vanpooling which was not so used at the time the policy was issued or last renewed shall be subject to the provisions of this section unless the insurer has received by certified mail thirty days' written notice that the insured intends to use the vehicle for vanpooling.

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## Bureau of Insurance

May 19, 1986

Administrative Letter 1986-8

TO: All Companies Licensed to Write Property and Casualty Insurance in Virginia

RE: Appraisal Conditions

The Bureau of Insurance forwarded to you on October 10, 1985, Administrative Letter 1985-17 which outlined the position of the Bureau of Insurance concerning appraisal conditions. A copy of that Administrative Letter is printed on the back of this letter for your easy reference.

Administrative Letter 1985-17 indicated that the Bureau would not approve appraisal conditions in any property and casualty contract unless the policy form specifically stated that the award is not binding. Companies were requested to review all then currently approved property and casualty forms and file the necessary amendments. The Bureau was in error.

We have reexamined the case on which Administrative Letter 1985-17 was based. The Bureau will approve appraisal conditions whether such appraisal is construed to be binding or not.

/s/ James M. Thomson  
Commissioner of Insurance

STATE CORPORATION COMMISSION  
Bureau of Insurance

October 10, 1985

ADMINISTRATIVE LETTER 1985-17

# State Corporation Commission

TO: ALL COMPANIES LICENSED TO WRITE PROPERTY AND CASUALTY  
INSURANCE IN VIRGINIA

RE: APPRAISAL CONDITIONS

The Bureau of Insurance has become aware that many companies have filed policy forms which contain appraisal conditions which may be construed as binding. Binding appraisal conditions are not permissible in Virginia according to case law. This applies to standard automobile and statutory fire policies as well.

Therefore, the Bureau of Insurance will not approve appraisal conditions in any property and casualty contract unless the policy form specifically states that the award is not binding. In addition, it is permissible to make compliance with an appraisal condition a condition precedent to filing suit. Companies should review all currently approved property and casualty forms and file the necessary amendments.

/s/ James M. Thomson  
Commissioner of Insurance

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**Bureau of Insurance**

May 27, 1986

Administrative Letter 1986-9

TO: All Persons Licensed as Surplus Lines Brokers and All  
Approved Surplus Lines Insurers

RE: Surplus Lines Insurance Law Effective July 1, 1986

A new Surplus Lines Insurance Law to be effective July 1, 1986, has been enacted by the General Assembly. Substantive changes in the law require changes in the various forms and procedures previously used in the regulation of surplus lines insurance. Therefore, we are enclosing a copy of the applicable statutes and the various surplus lines forms which are to be used effective July 1, 1986. Reproduction of these forms will be necessary for your future use. The Bureau of Insurance does not maintain a supply of these forms.

Please review the new statutory requirements and the new and/or amended surplus lines forms to ensure your compliance with the law effective July 1, 1986. Any questions concerning this matter should be addressed to James L. Sheets at (804) 786-6099.

/s/ James M. Thomson  
Commissioner of Insurance

AT RICHMOND, JUNE 2, 1986

COMMONWEALTH OF VIRGINIA, ex rel.

STATE CORPORATION COMMISSION

CASE NO. INS860118

Ex Parte: In the Matter of  
Adopting Rules Governing Surplus

Lines Insurance.

## ORDER SETTING HEARING

WHEREAS, Virginia Code § 12.1-13 provides that the Commission shall have the power to promulgate rules and regulations in the enforcement and administration of all laws within its jurisdiction and Article 5 of Chapter 7.1 of Title 38.1 of the Code of Virginia (Virginia Code §§ 38.1-327.46 et seq., effective July 1, 1986, Chapter 48 of Title 38.2 of the Code of Virginia, §§ 38.2-4800 et seq.) provide that the Commission is authorized to make, approve and adopt reasonable rules and regulations consistent with the aforesaid Article (effective July 1, 1986, Chapter 48) to effectuate the purposes of such Article (effective July 1, 1986, Chapter 48); and

WHEREAS, the Bureau of Insurance has prepared and submitted to the Commission a proposed regulation entitled "Rules Governing Surplus Lines Insurance" which sets forth certain rules, forms and procedures concerning the Surplus Lines Insurance Law (Virginia Code §§ 38.1-327.46 et seq., effective July 1, 1986, Virginia Code §§ 38.2-4800 et seq.); and

WHEREAS, said regulation concerns a subject appropriate for Commission regulation; and

WHEREAS, the Commission is of the opinion that notice of the proposed regulation should be given to each licensed surplus lines broker in this Commonwealth and that a hearing should be held on the proposed regulation, at which hearing all persons in interest may appear and be heard,

### IT IS ORDERED:

(1) That the proposed regulation entitled "Rules Governing Surplus Lines Insurance" be appended hereto and made a part hereof, filed and made a part of the record herein;

(2) That this matter be docketed and assigned Case No. INS860118, and that a hearing be held in the Commission's Courtroom, Jefferson Building, 13th Floor, Bank and Governor Streets, Richmond, Virginia at 10 a.m. on July 9, 1986, for the purpose of considering the adoption of the proposed regulation, at which time and place all interested persons may appear and be heard with respect to the proposed regulation;

(3) That an attested copy hereof together with a copy of the proposed regulation be sent by the Clerk of the Commission to the Bureau of Insurance in care of Deputy Commissioner Paul A. Synnott, Jr., who shall forthwith give further notice of the proposed regulation and hearing by mailing a copy of this order together with a copy of the proposed regulation to every licensed surplus lines broker in this Commonwealth; and

(4) That the Bureau of Insurance shall file with the

Clerk of the Commission an affidavit of compliance with the notice requirements of paragraph (3) above.

\* \* \*

## Rules Governing Surplus Lines Insurance

### § 1. Authority.

This regulation is issued under the authority of §§ 38.2-223 and 38.2-4813. (All citations to statutory provisions in this regulation refer to the Code of Virginia.)

### § 2. Purpose.

The purpose of this regulation is to set forth rules, forms and procedures consistent with the Surplus Lines Insurance Law (§§ 38.2-4800 through 38.2-4815) and the Insurance Information and Privacy Protection Law (§§ 38.2-600, 38.2-602, 38.2-608, 38.2-609, 38.2-610, 38.2-611, and 38.2-612) to carry out the provisions of these laws.

### § 3. Applicability.

This regulation applies to all persons procuring surplus lines insurance coverage on risks resident, located or to be performed in Virginia, to all surplus lines policies issued for delivery in Virginia and to any other evidence of surplus lines insurance coverage issued for delivery in Virginia.

### § 4. Definitions.

As used in this regulation:

(A) "Admitted insurer" means an insurer licensed by the Commission to do an insurance business in this Commonwealth.

(B) "Authorized to write the insurance coverage sought" means that the admitted insurer is licensed for that class of insurance in this Commonwealth and has complied with the applicable provisions of Title 38.2 of the Code of Virginia concerning the filing of rules, rates and policy forms providing the insurance coverage sought, unless such insurance coverage has been exempted from filing by Commission order.

(C) "Class of insurance" means the classes enumerated in §§ 38.2-109 through 38.2-121 and §§ 38.2-124 through 38.2-134.

(D) "Commercial insured" means an insured (i) who procures the insurance of any risk or risks by use of the services of a full-time employee acting as an insurance manager or buyer, (ii) whose aggregate annual premiums for insurance on all risks total at least \$75,000 or (iii) who has at least twenty-five full-time employees.

(E) "Diligent effort" means:

(1) for business that is originated by a surplus lines broker, a good faith search for insurance among admitted insurers resulting in declinations of coverage by three unaffiliated admitted insurers licensed and authorized in this Commonwealth to write the insurance coverage sought, whether or not the surplus lines broker is an agent of any of the declining insurers; and

(2) for business that is referred from a licensed property and casualty insurance agent, a good faith search for insurance among admitted insurers resulting in declinations or rejections of coverage by three insurers licensed in this Commonwealth to write the class of insurance, whether or not the surplus lines broker is an agent of any of the declining insurers.

(F) "Eligible surplus lines insurer" means a nonadmitted insurer approved by the Commission pursuant to subsection B of § 38.2-4811.

(G) "Nonadmitted insurer" means an insurer not licensed to do an insurance business in this Commonwealth. "Nonadmitted insurer" includes insurance exchanges authorized under the laws of a state.

(H) "Procure" means to bind or cause to be bound insurance coverage (orally or in writing) or to issue or cause to be issued an insurance policy, whichever comes first.

(I) "Surplus lines broker" means a person licensed under this regulation to procure insurance on risks resident, located or to be performed in this Commonwealth from eligible surplus lines insurers.

(J) "Surplus lines insurance" means any insurance in this Commonwealth of risks resident, located or to be performed in this Commonwealth, permitted to be procured by or through a surplus lines broker from an eligible surplus lines insurer. "Surplus lines insurance" does not include reinsurance, insurance obtained directly from a nonadmitted insurer by the insured upon his own life or property, life insurance, credit life, industrial life, variable life, annuities, variable annuities, credit accident and sickness, credit insurance, title insurance, contracts of insurance on vessels or craft, their cargo, freight, marine builder's risk, maritime protection and indemnity, ship repairer's legal liability, tower's liability or other risks commonly insured under ocean marine insurance, and insurance of the rolling stock and operating properties of railroads used in interstate commerce or of any liability or other risks incidental to the ownership, maintenance or operation of such railroads.

(K) "Unaffiliated" means admitted insurers who are not part of a group of insurers under common ownership or control.

§ 5. Surplus lines brokers; license required.



# State Corporation Commission

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No person shall act as a surplus lines broker unless duly licensed by the Commission. No person may be licensed as a surplus lines broker unless the person is licensed as a property and casualty insurance agent.

## § 6. Application for surplus lines brokers' licenses.

Any applicant for a new or renewal surplus lines broker's license shall file with the Commission an application on Form SLB-1 (Appendix 1). The applicant shall submit with the application the license fee required by § 38.2-4802.

## § 7. Term of license.

Every license issued under this regulation shall expire on the 15th day of March next following its date of issuance. No such license shall be renewed unless the licensee files an application for renewal on Form SLB-1 with the fee required under § 38.2-4802. No such new or renewal license shall be issued unless the assessment prescribed by §§ 38.2-400 and 38.2-403, the taxes prescribed by § 38.2-4809, and any penalties imposed pursuant to Titles 38.2 or 58.1 have been paid to the Commission.

## § 8. Applicants to file bond with Commission.

The applicant shall file a surety bond with the Commission on Form SLB-2 (Appendix 2) in the amount prescribed by § 38.2-4804 prior to the issuance of a surplus lines broker's license. The applicant shall file with the bond the appropriate acknowledgement of principal on Form SLB-2a (Appendix 3) if an individual or partnership, or on Form SLB-2b (Appendix 4) if a corporation.

## § 9. Suspension, revocation, and refusal of license.

The Commission may refuse to issue a surplus lines broker's license or may suspend or revoke the license of any surplus lines broker under § 38.2-1831 for any one or more of the following reasons:

- (1) Failure to allow the Commission to examine the broker's records and accounts as required by this regulation and Chapter 48;
- (2) Failure to make and file monthly reports as required by this regulation and Chapter 48;
- (3) Failure to make and file the annual report required by this regulation and Chapter 48;
- (4) Failure to pay when due the surplus lines premium tax, assessment, or penalty required by this regulation and Chapter 48;
- (5) Failure to meet the qualifications for issuance of a surplus lines broker's license required by this regulation and Chapter 48;

(6) Violation of any provision of the Surplus Lines Insurance Law or this regulation; or

(7) Any other cause for which a property and casualty agent's license may be revoked, suspended, or refused.

## § 10. Affidavit that insurance is unprocurable from licensed insurers.

(A) When a surplus lines broker procures insurance coverage from an eligible surplus lines insurer, the surplus lines broker procuring the insurance shall execute Form SLB-5a (Appendix 5) for an individual affidavit of Form SLB-5b and SLB-5b (Supplement) (Appendix 6) for a combined affidavit, stating that the surplus lines broker was unable, after "diligent effort," as defined in this regulation and subsection A of § 38.2-4806, to procure the insurance requested from companies licensed in Virginia in a form and at a premium acceptable to the insured.

(B) The affidavits required under this section shall be filed with and received by the Commission within the period specified in subsection A of § 38.2-4806.

(C) If the insurance transaction involves insurance primarily for personal, family, or household needs rather than business or professional needs, the surplus lines broker must comply with the provisions of Chapter 6, Title 38.2 by giving the prospective insured the required adverse underwriting decision notice Form VA-6024, as required by § 38.2-610. A copy of the executed adverse underwriting decision notice must be attached to the individual affidavit, or, in the case of combined affidavits, to each applicable SLB-5b (Supplement).

## § 11. Commercial insured waiver of diligent effort.

A commercial insured as defined in this regulation may waive the requirement of a diligent effort being made by the surplus lines broker among companies licensed and authorized to write the class of insurance sought. The licensed surplus lines broker shall have the commercial insured sign the waiver notice required under subsection C of § 38.2-4806 as prescribed in Form SLB-12 (Appendix 13). The signed waiver required under this section shall be attached to the affidavit forwarded to the Commission as prescribed in § 10 of this regulation. A copy of each signed waiver shall be retained by the surplus lines broker for the time period specified in § 15.

## § 12. Changes requiring refiling of affidavit.

If, after delivery of any policy or other written evidence of insurance, there is any change in the identity of the insurer(s), or in the proportion of the risk assumed by any insurer, or if there is any material change in coverage, the surplus lines broker shall promptly issue and deliver to the insured an appropriate substitute for, or endorsement of the original document, accurately showing the current status of the coverage and the insurers responsible thereunder. The affidavit required under § 10

# State Corporation Commission

of this regulation shall be refilled to reflect any changes listed in the preceding sentence. Such refiling may be accomplished by the filing of a copy of the original affidavit with such changes noted thereon or attached thereto.

## § 13. Notice to insured.

The license surplus lines broker shall provide the notice to the insured required under subsection B of § 38.2-4806 as prescribed in Form SLB-9 (Appendix 10). The notice shall be given prior to the placement of the insurance; however, if coverage must be placed and become effective within 24 hours after referral of the business to the surplus lines broker, the notice may be given promptly following such placement. An additional copy of the notice shall be affixed to the policy by stamp, sticker, or other means on all policies procured pursuant to this regulation. When a property and casualty agent refers coverage to a surplus lines broker, it is the responsibility of the surplus lines broker to assure that this requirement is satisfied.

## § 14. Surplus lines brokers, referrals, compensation.

A surplus lines broker may not accept surplus lines business from any person other than an applicant for insurance or a licensed property and casualty insurance agent and the surplus lines broker may not compensate any person other than a licensed property and casualty insurance agent for such business. No person other than an applicant for insurance or a licensed property and casualty insurance agent shall place surplus lines business with a surplus lines broker licensed under this regulation and Chapter 48 of Title 38.2 and no person other than a licensed property and casualty agent may accept compensation for such business. The surplus lines broker placing or procuring the insurance is responsible for compliance with the provisions of this regulation.

## § 15. Records of surplus lines broker.

Each surplus lines broker shall keep in his office the records required under § 38.2-4807. Such records shall be subject to examination by the Commission pursuant to § 38.2-1809 and shall be available during normal business hours for a period of not less than five years following termination of the policy.

## § 16. Surplus lines broker to file monthly report.

Every licensed surplus lines broker shall file with the Commission a report on Form SLB-7a (Appendix 7) for the business conducted during the previous month. This report shall be filed with and received by the Commission not more than 30 days after the end of the calendar month in which any such insurance has been procured by the surplus lines broker. However, a surplus lines broker may file the combined affidavit set forth in § 10 of this regulation in lieu of Form SLB-7a.

## § 17. Surplus lines broker to file annual report.

On or before the first day of March of each year every licensed surplus lines broker shall file with the Commission a report as required by § 38.2-4807 on Form SLB-8 (Appendix 8) for the business conducted during the previous calendar year. The report prescribed in this section shall be verified and notarized. In lieu of filing Form SLB-8, Part 1, a broker may file legible photocopies of the previously filed monthly reports for the calendar year.

## § 18. Surplus lines broker to file gross premium tax report and remit taxes and assessments due.

(A) Every licensed surplus lines broker whose annual premium tax liability can reasonably be expected to exceed \$1,500 shall file with the Commission the quarterly gross premium tax report on Form SLB-10 (Appendix 11) no later than 30 days after the end of each calendar quarter. Form SLB-10 shall be verified and notarized. The licensed surplus lines broker shall also file Form SLB-11, Parts 1, 2, 3, and 4 (Appendix 12) at the same time that Form SLB-10 is filed. In lieu of filing Form SLB-11, Part 1, a broker may file legible photocopies of the previously filed monthly reports for the quarter. Every licensed surplus lines broker shall remit to the Commission the full amount of gross premium tax due as calculated on Form SLB-10 when this report is filed. Such remittance shall be made payable to the Treasurer of Virginia.

(B) On or before the first day of March of each year every surplus lines broker that was licensed for any portion of the preceding calendar year shall file with the Commission the gross premium tax and assessment report on Form SLB-7 (Appendix 9). The report prescribed in this section shall be verified and notarized. Enclosed with the SLB-7 report, every licensed surplus lines broker shall remit to the Commission the full amount of gross premium tax and assessment due as calculated on Form SLB-7. Such remittance shall be made payable to the Treasurer of Virginia.

(C) If a payment is made in an amount later found to be in error, the Commission shall, if an additional amount is due, notify the surplus lines broker of the additional amount and the surplus lines broker shall pay such amount within 14 days of the date of the notice. Failure to pay the full amount of gross premium tax and assessment due on or before the first day of March shall be punishable under §§ 38.2-4814, 38.2-403 or 58.1-2507. In addition, any person licensed or required to be licensed under this regulation who willfully fails or refuses to pay the full amount of the tax or assessment required by this regulation, either by himself or through his agents or employees, or who makes a false or fraudulent return with intent to evade the tax or assessment levied, or who makes a false or fraudulent claim for refund shall be guilty of a Class 1 misdemeanor. If any person licensed or required to be licensed under Chapter 48 charges and collects from the insured the taxes and assessments required by this regulation and Chapter 48, such person shall be a fiduciary to this Commonwealth for any taxes

# State Corporation Commission

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and assessments owed to this Commonwealth under this regulation and Chapter 48. If an overpayment is made, the surplus lines broker may petition the Commission for a refund of such overpayment pursuant to the provisions of § 58.1-2030.

## § 19. Eligible surplus lines insurers.

A surplus lines broker shall not procure insurance from a nonadmitted insurer unless that insurer has prior approval of the Commission to issue surplus lines insurance.

## § 20. Withdrawal of eligibility, surplus lines insurer.

The grounds on which the Commission may declare an eligible surplus lines insurer ineligible include, but are not limited to, the following:

- (A) The insurer is in unsound financial condition;
- (B) The insurer no longer qualifies under subsection B of § 38.2-4811;
- (C) The insurer has willfully violated the laws of this Commonwealth;
- (D) The insurer does not make reasonably prompt payment of just losses and claims in this Commonwealth or elsewhere; or
- (E) The insurer fails to provide the Commission with any reasonable information requested.

The Commission shall promptly mail notice of all such declarations to each surplus lines broker licensed in this Commonwealth.

## § 21. Actions against surplus lines insurer - service of process.

(A) Pursuant to Article 1 (§§ 38.2-800 et seq.) of Chapter 8 of Title 38.2, a surplus lines insurer may be sued upon any cause of action arising in this Commonwealth under any surplus lines insurance contract made by it or arising under any evidence of insurance issued or delivered by the surplus lines broker. Any such policy or other evidence of insurance, issued by or on behalf of an eligible surplus lines insurer shall contain a provision stating the substance of this section and designating the person to whom the Commission shall mail process. Service of process may be effectuated pursuant to Article 1 (§ 38.2-800 et seq.) of Chapter 8 of Title 38.2.

(B) Each surplus lines insurer issuing a surplus lines insurance policy shall be deemed thereby to have subjected itself to this regulation.

(C) The provisions of the section are in addition to any other methods provided by law for service of process upon insurers.

## § 22. Penalties.

Any violation of this regulation shall be punished as provided for in § 38.2-4814 and any other applicable law of this Commonwealth.

## § 23. Severability.

The powers granted and the duties imposed in this regulation shall be construed to be independent and severable. If any one or more section, subsections, sentences, or parts of any of this regulation shall be adjudged unconstitutional or invalid, such adjudication shall not affect, impair or invalidate the remaining provisions of this regulation, but shall be confined in its operation to the specific provisions so held unconstitutional or invalid.

## § 24. Effective date.

This regulation shall take effect on ..... Surplus lines broker's licenses issued prior to ..... and expiring on March 15, 198... shall be deemed valid on the effective date of this regulation.

# State Corporation Commission

## Appendix 1

VIRGINIA  
FORM SLB-1  
(REV. 7/86)

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION  
BUREAU OF INSURANCE  
Richmond, Virginia

APPLICATION FOR LICENSE  
AS SURPLUS LINES BROKER

TO: STATE CORPORATION COMMISSION, BUREAU OF INSURANCE, RICHMOND, VIRGINIA

The undersigned applicant who is currently licensed as a Property & Casualty Agent in the Commonwealth of Virginia hereby applies for a license as a Surplus Lines Broker under the provisions of Chapter 48, Title 38.2 of the Code of Virginia and the Commission's Rules Governing Surplus Lines Insurance (Regulation 25), for the term expiring on the 15th day of March next succeeding the license issue date.

Remittance of (\$50.00) (\$25.00) is submitted herewith to cover the required license fee. (If license application is filed on or before September 15, the license fee is \$50.00; if filed after September 15, the license fee is \$25.00).

The applicant submits the following statements and answers in support of this application:

1. Name of Applicant \_\_\_\_\_ IRS # \_\_\_\_\_  
Tel No. \_\_\_\_\_  
2. Business Address \_\_\_\_\_  
(Street Number) \_\_\_\_\_  
( ) Individual  
( ) Partnership  
( ) Corporation

(Town or City) \_\_\_\_\_ (State) \_\_\_\_\_ (Zip Code) \_\_\_\_\_

3. Residence Address (if applicant is an INDIVIDUAL)

(Street Number) \_\_\_\_\_ (Town or City) \_\_\_\_\_ (State) \_\_\_\_\_ (Zip Code) \_\_\_\_\_

4. Active Members (if applicant is a PARTNERSHIP or a CORPORATION)

NOTE: Individuals to act for partnership or corporation in the transaction of insurance under authority of license applied for - limited to officers, directors, members, or employees of applicant, each of whom is individually licensed as a Property and Casualty Insurance Agent as defined in Section 38.2-1800 of the Code of Virginia.

NAME	SS#	TITLE	RESIDENCE ADDRESS
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

5. The submission of this application signifies the applicant's understanding and agreement to abide by the requirements outlined in Chapter 48, Title 38.2 of the Code of Virginia and Regulation 25 regarding insurance transacted under the authority granted by the applicant's licensure as a surplus lines broker.

The applicant hereby declares that the foregoing answers are true and correct; and that the requirements outlined in Chapter 48, Title 38.2 of the Code of Virginia and Regulation 25 are fully understood and will be fully complied with.

\_\_\_\_\_  
(Signature of Applicant, if an individual)  
(Print name of applicant, if a partnership  
or corporation)

By \_\_\_\_\_  
(Officer or Partner)

Title \_\_\_\_\_



Appendix 2

VIRGINIA  
FORM SLB-2  
(REV. 7/86)

**BOND FOR SURPLUS LINES INSURANCE BROKER**  
(To comply with Section 38.2-4804 of the Code of Virginia)

KNOW ALL MEN BY THESE PRESENTS, That \_\_\_\_\_ of \_\_\_\_\_ as Principal, and the \_\_\_\_\_ Company, a corporation organized and existing under the laws of the State of \_\_\_\_\_, and authorized to do business in the Commonwealth of Virginia, as Surety, are held and firmly bound unto the COMMONWEALTH OF VIRGINIA in the penal sum of TWENTY-FIVE THOUSAND DOLLARS (\$25,000) for the payment of which, well and truly to be made, we, and each of us, bind ourselves, our heirs, successors and assigns, jointly and severally, firmly by these presents.

SIGNED, SEALED, AND DATED THIS \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, the said Principal has applied to the State Corporation Commission of the Commonwealth of Virginia for a license to act as a Surplus Lines Broker pursuant to Chapter 48, Title 38.2 of the Code of Virginia and, in accordance with Section 38.2-4804 thereof, is required to give a corporate surety bond unto the COMMONWEALTH OF VIRGINIA in the penal sum of TWENTY-FIVE THOUSAND DOLLARS (\$25,000);

NOW THEREFORE, the condition of this obligation is such that if the said Principal shall conduct business under said license in accordance with the provisions of the laws and regulations of the Commonwealth of Virginia pertaining to Surplus Lines Brokers, and, further, shall promptly remit the taxes and assessments provided by such laws and regulations, then this obligation shall be null and void; otherwise, to remain in full force and effect;

PROVIDED, this bond shall cover the acts of the Principal during the period beginning on the date such license becomes effective and ending on the fifteenth day of March next succeeding; and in no event shall the Surety's aggregate liability hereunder for all losses exceed the penal sum of TWENTY-FIVE THOUSAND DOLLARS (\$25,000);

PROVIDED FURTHER, the Surety may be released from liability for future breaches of the conditions of this bond only after thirty days have elapsed from the giving of written notice to the State Corporation Commission of the Commonwealth of Virginia of its desire to be so released;

IN WITNESS WHEREOF, the said Principal has caused these presents to be signed and the said Surety has caused these presents to be signed by its duly authorized officer or Attorney-in-Fact and its corporate seal affixed on the day and year first written above.

\_\_\_\_\_  
(Principal)

BY \_\_\_\_\_  
(If Principal is Partnership or Corporation)

(SEAL OF SURETY) TITLE \_\_\_\_\_  
(Surety)

COUNTERSIGNED BY: BY \_\_\_\_\_  
(Officer or Attorney-in-Fact)  
(Licensed Virginia Agent of Surety)

Date \_\_\_\_\_

Appendix 3

VIRGINIA  
FORM SLB-2a  
(REV. 7/86)

**ACKNOWLEDGMENT OF PRINCIPAL**  
(INDIVIDUAL OR PARTNERSHIP)

STATE OF VIRGINIA  
CITY (COUNTY) OF \_\_\_\_\_, to wit:

I, \_\_\_\_\_, a Notary Public in and for the City (County) aforesaid, in the State of Virginia, do certify that \_\_\_\_\_

whose name or names is or are signed to Virginia Form SLB-2 bearing date on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_, personally appeared before me and acknowledged the same.

My term of office expires on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
Notary Public

**AFFIDAVIT AND ACKNOWLEDGMENT OF SURETY**

STATE OF VIRGINIA  
CITY (COUNTY) OF \_\_\_\_\_, to wit:

I, \_\_\_\_\_, a Notary Public in and for the City (County) aforesaid, in the State of Virginia, do certify that \_\_\_\_\_ personally appeared before me and made oath that he is \_\_\_\_\_ of the \_\_\_\_\_; that he is duly authorized to execute the foregoing bond by virtue of a certain power of attorney of said company, dated \_\_\_\_\_ and recorded in the Clerk's office of the \_\_\_\_\_, of \_\_\_\_\_, in Deed Book No. \_\_\_\_\_, page \_\_\_\_\_; that said power of attorney has not been revoked; that the said company has complied with all the requirements of law regulating the admission of such companies to transact business in the State of Virginia; that the said company holds a license authorizing it to do business in the State of Virginia; that it has a surplus to policyholders of \$ \_\_\_\_\_; that the penalty of the foregoing bond is not in excess of ten per centum of said sum; that the said company is not by said bond incurring in the aggregate on behalf or on account of the principal named in said bond a liability for an amount larger than one-tenth of its surplus to policyholders; that the said company is solvent and fully able to meet promptly all of its obligations, and the said \_\_\_\_\_ thereupon, in the name and on behalf of the said company, acknowledging the foregoing writing as its act and deed.

My term of office expires on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
Notary Public

Appendix 4

VIRGINIA  
FORM SLB-2b  
(REV. 7/86)

ACKNOWLEDGMENT OF PRINCIPAL  
(CORPORATIONS ONLY)

STATE OF VIRGINIA  
CITY (COUNTY) OF \_\_\_\_\_, to wit:

I, \_\_\_\_\_, a Notary Public in and for the City (County) aforesaid, in the State of Virginia, do certify that \_\_\_\_\_ appeared before me personally on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_ and, being duly sworn by me, deposed and stated that he resides in \_\_\_\_\_; that he is the \_\_\_\_\_ of the \_\_\_\_\_, the corporation described in and which executed Virginia Form SLB-2; and that he signed his name thereto by like order.

I further certify that my term of office expires on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

\_\_\_\_\_  
(Notary Public)

AFFIDAVIT AND ACKNOWLEDGMENT OF SURETY

STATE OF VIRGINIA  
CITY (COUNTY) OF \_\_\_\_\_, to wit:

I, \_\_\_\_\_, a Notary Public in and for the City (County) aforesaid, in the State of Virginia, do certify that \_\_\_\_\_ personally appeared before me and made oath that he is \_\_\_\_\_ of the \_\_\_\_\_; that he is duly authorized to execute the foregoing bond by virtue of a certain power of attorney of said company, dated \_\_\_\_\_ and recorded in the Clerk's office of the \_\_\_\_\_ of \_\_\_\_\_, in Deed Book No. \_\_\_\_\_, page \_\_\_\_\_; that said power of attorney has not been revoked; that the said company has complied with all the requirements of law regulating the admission of such companies to transact business in the State of Virginia; that the said company holds a license authorizing it to do business in the State of Virginia; that it has a surplus to policyholders of \$ \_\_\_\_\_; that the penalty of the foregoing bond is not in excess of ten per centum of said sum; that the said company is not by said bond incurring in the aggregate on behalf or on account of the principal named in said bond a liability for an amount larger than one-tenth of its surplus to policyholders; that the said company is solvent and fully able to meet promptly all of its obligations, and the said \_\_\_\_\_ thereupon, in the name and on behalf of the said company, acknowledging the foregoing writing as its act and deed.

My term of office expires on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

\_\_\_\_\_  
Notary Public

Appendix 5

VIRGINIA  
FORM SLB-5a  
(ED. 7/86)

INDIVIDUAL AFFIDAVIT BY SURPLUS LINES BROKER

TRANSACTION NO. \_\_\_\_\_

Re: INSURANCE ON VIRGINIA RISK PLACED WITH AN UNLICENSED INSURER

STATE OF \_\_\_\_\_, CITY/COUNTY OF \_\_\_\_\_;

I, \_\_\_\_\_, being duly sworn, affirm:

1. THAT I, a duly licensed Surplus Lines Broker or an individual authorized under the license issued to \_\_\_\_\_ under Chapter 48, Title 38.2 of the Code of Virginia, was engaged by the insured named below or through \_\_\_\_\_ (Lic. No. \_\_\_\_\_) a Property and Casualty Agent duly licensed in Virginia acting in behalf of the named insured, to obtain insurance against certain risks.

NAME AND ADDRESS OF INSURED	DESCRIPTION OF RISK AND LOCATION	CLASS OF INSURANCE	AMOUNT

2. Check the statement below which applies to this transaction. Only one of the three options listed will be applicable.

- A. The commercial insured named above, as defined in Chapter 48, Title 38.2 and Section 4 of Regulation 25, has waived the requirement of a diligent effort and a copy of the signed waiver (SLB-12) is attached; or
- B. THAT I, for business that is referred from a licensed property and casualty insurance agent, after making a diligent effort, found that the insurance requested could not be procured from companies licensed in Virginia in a form and at a premium acceptable to the insured, and

THAT the following three companies are among those licensed to write the class of insurance desired in Virginia but which specifically declined to issue or rejected the coverage desired (List three companies):

NAME OF LICENSED INSURERS DECLINING COVERAGE	COMPANY UNDERWRITER (Name, Title, Location)	DATE DECISION GIVEN

- C. OR, THAT I, for business that was originated by me, after making a diligent effort, found that the insurance requested could not be procured from companies licensed in Virginia in a form and at a premium acceptable to the insured, and

VIRGINIA  
FORM SLB-5a  
(continued)

THAT the following three unaffiliated companies are among those licensed to write the insurance coverage sought in Virginia and said companies have complied with the applicable provisions of Title 38.2 of the Code of Virginia concerning the filing of rules, rates, and policy forms for the insurance coverage sought, but which specifically declined to issue or rejected the coverage desired (List three companies):

NAME OF UNAFFILIATED LICENSED INSURERS DECLINING COVERAGE	COMPANY UNDERWRITER (Name, Title, Location)	DATE DECISION GIVEN

3. THAT the insurance set forth above has been effected with the following unlicensed insurer(s):

NAME OF UNLICENSED INSURER(S)	POLICY NO. AND DATE PROCURED	EFFECTIVE DATE AND TERM OF POLICY	PREMIUM

- THAT I, if the transaction involves insurance primarily for personal, family, or household needs rather than business or professional needs, have complied with the provisions of Chapter 6, Title 38.2 and Section 10 of Regulation 25 by giving the prospective insured the required adverse underwriting decision notice Form VA-6024, a copy of which is attached to this affidavit.
- THAT the insured has been given the notice required by § 38.2-4806.B., Chapter 48, Title 38.2 and Section 13 of Regulation 25.

SUBSCRIBED AND SWORN TO before me  
this \_\_\_\_\_ day of \_\_\_\_\_  
19\_\_\_\_.

\_\_\_\_\_  
(Notary Public)

\_\_\_\_\_  
(Surplus Lines Broker)

My commission expires \_\_\_\_\_ By \_\_\_\_\_  
(Authorized individual if licensee is a Corporation or Partnership)

Appendix 6

VIRGINIA  
FORM SLB-5b  
Page 1  
(ED. 7/86)

TRANSACTION NOS. \_\_\_\_\_

COMBINED AFFIDAVIT BY SURPLUS LINES BROKER  
Re:  
INSURANCE ON VIRGINIA RISKS PLACED WITH UNLICENSED INSURERS

STATE OF \_\_\_\_\_ CITY/COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, being duly sworn, affirm:

- THAT I, a duly licensed Surplus Lines Broker or an individual authorized under the license issued to \_\_\_\_\_ under Chapter 48, Title 38.2 of the Code of Virginia, was engaged by the insureds named herein or Property and Casualty Agents duly licensed in this Commonwealth acting on behalf of the insureds named herein to obtain insurance against certain risks during the month of \_\_\_\_\_, 19\_\_\_\_.
- THAT I, if the transaction involves insurance primarily for personal, family, or household needs rather than business or professional needs, have complied with the provisions of Chapter 6, Title 38.2 and Section 10 of Regulation 25 by giving the prospective insured the required adverse underwriting decision notice Form VA-6024, a copy of which is attached to the applicable SLB-5b (Supplement(s)).
- THAT each insured named herein has been given the notice required by subsection B of § 38.2-4806, Chapter 48, Title 38.2 and Section 13 of Regulation 25.
- THAT the gross premiums written during the month of \_\_\_\_\_, 19\_\_\_\_ are \$ \_\_\_\_\_ and the amount of the tax (2.75%) applicable thereto is \$ \_\_\_\_\_.
- THAT the insurance described herein has been effected with the unlicensed insurers named herein.

SUBSCRIBED AND SWORN TO before me  
this \_\_\_\_\_ day of \_\_\_\_\_  
19\_\_\_\_.

\_\_\_\_\_  
(Notary Public)

\_\_\_\_\_  
(Surplus Lines Broker)

My commission expires \_\_\_\_\_ By \_\_\_\_\_  
(Authorized individual if licensee is a Corporation or Partnership)

(See Reverse Side For Instructions)



Surplus Lines Broker \_\_\_\_\_  
Transaction No. \_\_\_\_\_

VIRGINIA  
FORM SLB-5b  
(Supplement)

Page \_\_\_\_\_ of \_\_\_\_\_  
Month \_\_\_\_\_ Year \_\_\_\_\_

**COMBINED AFFIDAVIT BY SURPLUS LINES BROKER**  
Re:  
**INSURANCE ON VIRGINIA RISKS PLACED WITH UNLICENSED INSURERS**

**INSTRUCTIONS:**

1. This Combined Affidavit is to be used to record policies effective in a particular month. For example, a policy with a July 31st effective date would be reported on the July SLB-5b and the SLB-5b (Supplement) due August 30th.
2. If no policies were effective during a given month, the Monthly Premium Report (SLB-7a) must be filed for that month, indicating "no policies written effective during report month".
3. Gross premium (all premium, dues, fees, and assessments, but excluding premium taxes, etc., charged to the policyholder) shown on the Combined Affidavit (SLB-5b (Supplement)) must agree with the gross premium shown in Item 4 on the reverse side. Any differences, discrepancies, endorsements, audits, etc. changing premium on the Combined Affidavit filed are to be reported on the Additional Premium Report (SLB-8, Part 2,) or Return Premium Report (SLB-8, Part 3).  
  
Item 4 on the reverse is verification of the premiums shown on the Combined Affidavit (SLB-5b (Supplement(s))).
4. When a policy has been written on a deposit or installment basis, a photocopy of the previously filed Combined Affidavit (SLB-5b (Supplement)) in question must be filed.
5. A revised Combined Affidavit (SLB-5b, Page 1) for a prior month must be submitted in the event that Combined Affidavit (SLB-5b (Supplement(s))) filed during the current effective month were effective during a prior month. For example, if several Combined Affidavit (SLB-5b (Supplements)) effective in February were filed with the Bureau in May, then a revised Combined Affidavit (SLB-5b, Page 1) for February must be submitted.

NAME AND ADDRESS OF INSURED	DESCRIPTION OF RISK AND LOCATION	CLASS OF INSURANCE	AMOUNT

1. Name of Property and Casualty Agent duly licensed in Virginia acting on behalf of the Insured  
If applicable: \_\_\_\_\_ (Lic. No. \_\_\_\_\_).
2. Check the statement below which applies to this transaction. Only one of the three options listed will be applicable.
  - A. The commercial insured named above, as defined in Chapter 48, Title 38.2 and Section 4 of Regulation 25, has waived the requirement of a diligent effort and a copy of the signed waiver (SLB-12) is attached; or
  - B. THAT I, for business that is referred from a licensed property and casualty insurance agent, after making a diligent effort, found that the insurance requested could not be procured from companies licensed in Virginia in a form and at a premium acceptable to the insured, and

THAT the following three companies are among those licensed to write the class of insurance desired in Virginia but which specifically declined to issue or rejected the coverage desired (List three companies):

NAME OF LICENSED INSURERS DECLINING COVERAGE	COMPANY UNDERWRITER (Name, Title, Location)	DATE DECISION GIVEN

- C. OR, THAT I, for business that was originated by me, after making a diligent effort, found that the insurance requested could not be procured from companies licensed in Virginia in a form and at a premium acceptable to the insured, and

# State Corporation Commission

VIRGINIA  
FORM SLB-5b  
(Supplement)  
(continued)

THAT the following three unaffiliated companies are among those licensed to write the insurance coverage sought in Virginia and said companies have complied with the applicable provisions of Title 38.2 of the Code of Virginia concerning the filing of rules, rates, and policy forms for the insurance coverage sought, but which specifically declined to issue or rejected the coverage desired (List three companies):

NAME OF UNAFFILIATED LICENSED INSURERS DECLINING COVERAGE	COMPANY UNDERWRITER (Name, Title, Location)	DATE DECISION GIVEN

3. Complete the following:

NAME OF UNLICENSED INSURER(S)	POLICY NO. AND DATE PROCURED	EFFECTIVE DATE AND TERM OF POLICY	PREMIUM

USE ONE PAGE FOR EACH POLICY OF SURPLUS LINES INSURANCE PROCURED.

GROSS PREMIUMS - SURPLUS LINES POLICY

Broker's Name \_\_\_\_\_

Page \_\_\_\_\_  
of \_\_\_\_\_

IRS or Soc. Sec. No. \_\_\_\_\_  
Month \_\_\_\_\_ Year \_\_\_\_\_

NAME OF INSURED	NAME OF UNLICENSED COMPANY	POLICY NUMBER	POLICY DATES (FROM - TO)	PREMIUM	COMMENTS

APPENDIX 7

Page Total

Total Including This Page

\$ \_\_\_\_\_

\$ \_\_\_\_\_

Tax (2.75%) \$ \_\_\_\_\_

\$ \_\_\_\_\_

**VIRGINIA FORM SLB-7a (Rev. 7/86)**  
(See Reverse Side For Instructions)

# State Corporation Commission

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## INSTRUCTIONS:

1. Monthly Premium Report (SLB-7a) is to be filed in addition to affidavit(s) (SLB-5a). The Monthly report is used to record policies effective in a particular month. For example, a policy with a July 31st effective date would be reported on the July SLB-7a report, due August 30th.
2. Report must be filed whether any policies were effected or not. If no policies were effective during the month, file report, indicating "no policies written effective during report month".
3. Gross premium (all premiums, dues, fees, and assessments, but excluding premium taxes, etc., charged to the policyholder) shown on the affidavit (SLB-5a) must agree with premiums shown on the Monthly Report (SLB-7a). Any differences, discrepancies, endorsements, audits, etc. changing premium on the affidavit filed are to be reported on the Additional Premium Report (SLB-8, Part 2), or Return Premium Report (SLB-8, Part 3).

The monthly report is verification of the gross premiums shown on the affidavits.

4. When a policy has been written on a deposit or installment basis, report installments on monthly report, with notation "installment" in COMMENTS column, and include photocopy of previously filed affidavit.
5. A revised Monthly Premium Report for a prior month must be submitted in the event that affidavits filed during the current effective month were effective during a prior month. For example, if several affidavits effective in February were filed with the Bureau in May, then a revised Monthly Premium Report for February must be submitted.
6. Copies of Monthly Premium Reports (SLB-7a) must be reproduced for brokers' use. The Bureau does not maintain a supply of these forms.

GROSS PREMIUMS - SURPLUS LINES POLICY

Broker's Name \_\_\_\_\_

Page \_\_\_\_\_  
of \_\_\_\_\_

IRS or Soc. Sec. No. \_\_\_\_\_

Year Ending \_\_\_\_\_

NAME OF INSURED	NAME OF UNLICENSED COMPANY	POLICY NUMBER	POLICY DATES (FROM - TO)	PREMIUM	COMMENTS

APPENDIX 8

Page Total

Total Including This Page

\$ \_\_\_\_\_

\$ \_\_\_\_\_

**State Corporation Commission**

VIRGINIA  
FORM SLB - 8  
PART 2  
(REV. 7/86)

ADDITIONAL PREMIUMS (by Endorsement & Audits) - SURPLUS LINES POLICIES  
For Year Ending December 31, 19\_\_\_\_\_

PAGE \_\_\_\_\_

\_\_\_\_\_  
Broker's Name

(Show ADDITIONAL premiums resulting from endorsement to or audit of policies previously reported for tax purposes.)

POLICY NO.	INSURANCE COMPANY	NAME OF INSURED AND ADDRESS	ENDORSEMENT OR AUDIT ?	EFFECTIVE DATE	ADDITIONAL PREMIUM

TOTAL .....

VIRGINIA  
FORM SLB - 8  
PART 3  
(REV. 7/86)

RETURN PREMIUMS (by Endorsements, Audits, Cancellations) - SURPLUS LINES POLICIES  
For Year Ending December 31, 19\_\_\_\_\_

PAGE \_\_\_\_\_

\_\_\_\_\_  
Broker's Name

(Show RETURN premiums resulting from endorsement to, or audit, or cancellation of policies previously reported for tax purposes.)

POLICY NO.	INSURANCE COMPANY	NAME OF INSURED AND ADDRESS	ENDORSEMENT, AUDIT OR CANCELLATION ?	EFFECTIVE DATE	RETURN PREMIUM

TOTAL .....

VIRGINIA  
FORM SLB-7  
(REV. 7/86)

Appendix 9

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION  
BUREAU OF INSURANCE  
Richmond, Virginia 23209

**SURPLUS LINES BROKER'S  
GROSS PREMIUMS TAX REPORT**

Year ended December 31, 19\_\_\_\_\_

\_\_\_\_\_  
(Surplus Lines Broker)

\_\_\_\_\_  
(Address)

TO: STATE CORPORATION COMMISSION, BUREAU OF INSURANCE, Richmond, Virginia

In compliance with 55 38.2-4807 and 38.2-4809 of the Code of Virginia, following is a report of ALL GROSS PREMIUMS, ASSESSMENTS, DUES AND FEES charged on contracts of insurance effected in unlicensed insurers on Virginia risks by the undersigned. This report also includes details of all additional and return premiums on such business.

1. GROSS PREMIUMS (SLB-8, Part 1, attached, or Monthly Reports attached)	\$ _____
2. ADDITIONAL PREMIUMS (See Form SLB-8, Part 2, attached)	\$ _____
3. Less: RETURN PREMIUMS (See Form SLB-8, Part 3, attached)	\$ _____
4. BALANCE (Taxable Premium Income)	\$ _____
5. Premium Tax (2 3/4% of BALANCE, Line 4)	\$ _____
6. Assessment for Maintenance of Bureau of Insurance (based upon Taxable Premium (Line 4) at _____% subject to minimum of \$ _____)	\$ _____
7. TOTAL AMOUNT DUE (Lines 5 & 6)	\$ _____
8. Less: QUARTERLY AMOUNT(S) PREVIOUSLY PAID (if any)	\$ _____
9. BALANCE DUE AND CHECK ATTACHED	\$ _____
10. RETURN DUE IF LINE 8 IS GREATER THAN LINE 7	\$ _____

\_\_\_\_\_  
(Date)

By \_\_\_\_\_  
\_\_\_\_\_  
(Title)

(over)

VIRGINIA  
FORM SLB - 8  
PART 4  
(REV. 7/86)

STATE OF VIRGINIA To-Wit:  
County (City) of \_\_\_\_\_

This day \_\_\_\_\_  
(Name) (Title)

of \_\_\_\_\_  
personally appeared before me in the County (City) aforesaid, and verified that the foregoing report is correct.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
(Notary Public)

My commission expires \_\_\_\_\_.

STATE OF VIRGINIA )  
County (City) of \_\_\_\_\_ ) To-Wit:

This day \_\_\_\_\_, \_\_\_\_\_  
(Name) (Title)  
of \_\_\_\_\_

personally appeared before me in the County (City) aforesaid, and verified that the foregoing report is correct.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_.

\_\_\_\_\_  
(Notary Public)

My commission expires \_\_\_\_\_.

Appendix 10

VIRGINIA  
FORM SLB-9  
(REV. 7/86)

DATE \_\_\_\_\_

Applicant/Insured \_\_\_\_\_

Policy No. \_\_\_\_\_

NOTICE

THE INSURANCE POLICY THAT YOU HAVE APPLIED FOR HAS BEEN PLACED WITH OR IS BEING OBTAINED FROM AN INSURER APPROVED BY THE STATE CORPORATION COMMISSION FOR ISSUANCE OF SURPLUS LINES INSURANCE IN THIS COMMONWEALTH, BUT NOT LICENSED OR REGULATED BY THE STATE CORPORATION COMMISSION OF THE COMMONWEALTH OF VIRGINIA. THEREFORE YOU, THE POLICYHOLDER, AND PERSONS FILING A CLAIM AGAINST YOU ARE NOT PROTECTED UNDER THE VIRGINIA PROPERTY AND CASUALTY INSURANCE GUARANTY ASSOCIATION AGAINST DEFAULT OF THE COMPANY DUE TO INSOLVENCY. IN THE EVENT OF INSURANCE COMPANY INSOLVENCY YOU MAY BE UNABLE TO COLLECT ANY AMOUNT OWED TO YOU BY THE COMPANY REGARDLESS OF THE TERMS OF THIS INSURANCE POLICY, AND YOU MAY HAVE TO PAY FOR ANY CLAIMS MADE AGAINST YOU.

\_\_\_\_\_  
(Name of Surplus Lines Broker)

\_\_\_\_\_  
(License Number)

\_\_\_\_\_  
(Broker's Mailing Address)



VIRGINIA  
FORM SLB-10  
(7/86)

Appendix 11

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION  
BUREAU OF INSURANCE  
Richmond, Virginia 23209

SURPLUS LINES BROKER'S  
QUARTERLY GROSS PREMIUMS TAX REPORT

Quarter ended \_\_\_\_\_, 19 \_\_\_\_\_.

\_\_\_\_\_  
(Surplus Lines Broker)

\_\_\_\_\_  
(Address)

TO: STATE CORPORATION COMMISSION, BUREAU OF INSURANCE, Richmond, Virginia

In compliance with § 38.2-4809 of the Code of Virginia, following is a report of ALL GROSS PREMIUMS, ASSESSMENTS, DUES AND FEES charged on contracts of insurance effected in unlicensed insurers on Virginia risks by the undersigned. This report also includes details of all additional and return premiums on such business.

- 1. GROSS PREMIUMS (SLB-11, Part 1, attached or Monthly Reports attached) \$ \_\_\_\_\_
  - 2. ADDITIONAL PREMIUMS (See Form SLB-11, Part 2, attached) \$ \_\_\_\_\_
  - 3. Less: RETURN PREMIUMS (See Form SLB-11, Part 3, attached) \$ \_\_\_\_\_
  - 4. BALANCE (Taxable Premium Income) \$ \_\_\_\_\_
  - 5. Premium Tax (2 3/4% of BALANCE, Line 4) \$ \_\_\_\_\_
- TOTAL AMOUNT DUE AND CHECK ATTACHED (Line 5) \$ \_\_\_\_\_

\_\_\_\_\_  
(Date)

By \_\_\_\_\_

\_\_\_\_\_  
(Title)

(over)

STATE OF VIRGINIA )  
County (City) of \_\_\_\_\_ ) To-Wit:

This day \_\_\_\_\_, \_\_\_\_\_  
(Name) (Title)

of \_\_\_\_\_

personally appeared before me in the County (City) aforesaid, and verified that the foregoing report is correct.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_.

\_\_\_\_\_  
(Notary Public)

My commission expires \_\_\_\_\_.

GROSS PREMIUMS - SURPLUS LINES POLICY

Broker's Name \_\_\_\_\_

Page \_\_\_\_\_

IRS or Soc. Sec. No. \_\_\_\_\_

of \_\_\_\_\_

Quarter Ending \_\_\_\_\_

NAME OF INSURED	NAME OF UNLICENSED COMPANY	POLICY NUMBER	POLICY DATES (FROM - TO)	PREMIUM	COMMENTS

APPENDIX X 12

Page Total

Total Including This Page

\$ \_\_\_\_\_

\$ \_\_\_\_\_

VIRGINIA FORM SLB-11  
PART 1  
(7/86)

# State Corporation Commission

VIRGINIA  
FORM SLB - 11  
PART 2  
(7/86)

ADDITIONAL PREMIUMS (by Endorsement & Audits) - SURPLUS LINES POLICIES

Quarter Ending \_\_\_\_\_, \_\_\_\_\_

PAGE \_\_\_\_\_

\_\_\_\_\_  
Broker's Name

(Show ADDITIONAL premiums resulting from endorsement to or audit of policies previously reported for tax purposes.)

POLICY NO.	INSURANCE COMPANY	NAME OF INSURED AND ADDRESS	ENDORSEMENT OR AUDIT ?	EFFECTIVE DATE	ADDITIONAL PREMIUM

TOTAL .....

VIRGINIA  
FORM SLB - 11  
PART 3  
(7/86)

RETURN PREMIUMS (by Endorsements, Audits, Cancellations) - SURPLUS LINES POLICIES

Quarter Ending \_\_\_\_\_, \_\_\_\_\_

PAGE \_\_\_\_\_

\_\_\_\_\_  
Broker's Name

(Show RETURN premiums resulting from endorsement to, or audit, or cancellation of policies previously reported for tax purposes.)

POLICY NO.	INSURANCE COMPANY	NAME OF INSURED AND ADDRESS	ENDORSEMENT, AUDIT OR CANCELLATION ?	EFFECTIVE DATE	RETURN PREMIUM

TOTAL .....

# State Corporation Commission

Appendix 13

VIRGINIA  
FORM SLB-12  
(7/86)

## COMMERCIAL INSURED WAIVER

I, the commercial insured named below, hereby waive the requirement of a diligent search by the surplus lines broker among companies licensed and authorized to write the class of insurance sought prior to placing my coverage with an unlicensed insurer be waived.

For the purpose of this waiver, a commercial insured is an insured (i) who procures the insurance of any risk or risks by use of the services of a full-time employee acting as an insurance manager or buyer, (ii) whose aggregate annual premiums for insurance on all risks total at least \$75,000 or (iii) who has at least twenty-five full-time employees.

\_\_\_\_\_  
Commercial Insured

\_\_\_\_\_  
Authorized Individual's  
Signature-Commercial Insured

\_\_\_\_\_  
Date of Waiver

\_\_\_\_\_  
Name of Surplus Lines Broker

VIRGINIA  
FORM SLB - 11  
PART 4  
(7/86)

STATE OF VIRGINIA To-Wit:  
County (City) of \_\_\_\_\_

This day \_\_\_\_\_  
(Name) (Title)

of \_\_\_\_\_  
personally appeared before me in the County (City) aforesaid, and verified that the foregoing report is correct.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_  
(Notary Public)

My commission expires \_\_\_\_\_.

# State Corporation Commission

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## Bureau of Insurance

June 4, 1986

Administrative Letter 1986-10

**TO: All Companies Licensed to Write Liability Other Than Automobile Insurance in Virginia**

**RE: Cancellation of Commercial Liability Other Than Automobile Insurance Policies**

On July 1, 1986, a new statute becomes effective which requires insurers to give notice of cancellation or refusal to renew forty-five days prior to the date of cancellation or nonrenewal of any personal injury liability insurance policy (other than automobile) or property damage liability insurance policy (other than automobile) insuring a business entity; provided, however, in the case of cancellation for nonpayment of premium, only fifteen days' notice of cancellation is required.

This statute also requires that the notice be approved as to form by the Commissioner of Insurance. To facilitate implementation of this law, a prototype termination notice is attached to this letter. All insurers are hereby authorized to use this form or any similar form which is not substantially different from this form. Any other notice that an insurer intends to use that differs substantially in form or content must be submitted to the Bureau of Insurance for approval. However, any insurer or agent may include any additional disclosure statements required by state or federal laws.

A copy of this new statute is reproduced on the back of this letter for your information. Review it carefully to assure that appropriate action is taken to effect compliance with these new legal requirements. Please pay particular attention to the requirement that the insurer's duplicate copy contain a certificate that the duplicate is a copy of the notice that was mailed, in accordance with the statutory mailing requirements, to the insured.

/s/ James M. Thomson  
Commissioner of Insurance

1986 SESSION  
VIRGINIA ACTS OF ASSEMBLY - CHAPTER

An Act to amend the Code of Virginia by adding in Article 4 of Chapter 1 of Title 38.1 a section numbered 38.1-43.01, relating to the notice of cancellation of or refusal to renew certain commercial insurance policies.

NONCERTIFIED COPY

[H 140]

Approved

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Article 4 of Chapter 1 of Title 38.1 a section numbered 38.1-43.01 as follows:

§ 38.1-43.01. Notice of cancellation of or refusal to renew certain commercial insurance policies.—A. No notice of cancellation or refusal to renew by an insurer of a policy of insurance as defined in § 38.1-15 or § 38.1-16 insuring a business entity shall be effective unless the insurer shall deliver or mail a written notice of cancellation or refusal to renew. Such notice shall:

1. Be approved as to form by the Commissioner of Insurance prior to its use;

2. State the date, which shall not be less than forty-five days after the delivery or mailing of the notice of cancellation or refusal to renew, on which such cancellation or refusal to renew shall become effective, except that such effective date may not be less than fifteen days from the date of mailing or delivery when the policy is being cancelled or not renewed for failure of the insured to discharge when due any of his obligations in connection with the payment of premium for the policy;

3. Be mailed or delivered to any lien holder if the terms of the policy require the giving of such notice;

4. State the specific reason or reasons of the insurer for cancellation or refusal to renew; and

5. Advise the insured of its right to request in writing, within fifteen days of the receipt of the notice, that the Commissioner of Insurance review the action of the insurer.

B. No written notice of cancellation or refusal to renew that is mailed by an insurer to an insured in accordance with this section shall be effective unless:

1. a. It is sent by registered or certified mail, or

b. At the time of mailing the insurer obtains a written receipt from the United States Postal Service showing the name and address of the insured stated in the policy;

2. The insurer retains a duplicate copy of the notice of cancellation or refusal to renew; and

3. At the time of mailing the insurer endorses upon the duplicate copy of the notice a certificate showing that the duplicate is a copy of the notice that was sent to the insured (i) by registered or certified mail, or (ii) by regular mail for which the postal receipt was obtained.

C. Nothing in this section shall prohibit any insurer or agent from including in the notice of cancellation or refusal to renew any additional disclosure statements required by state or federal laws.

D. For the purpose of this section the term "business entity" shall mean an entity as defined by § 13.1-603 or § 13.1-803 and shall include an individual, a county, city, town, or an authority, board, commission, sanitation, soil and water, planning or other district, public service corporation owned, operated or controlled by a locality or other local governmental authority.

E. There shall be no liability on the part of and no cause of action of any nature shall arise against (i) the Commissioner of Insurance or his subordinates, (ii) any insurer, its authorized representative, its agents, its employees, or (iii) any firm, person or corporation furnishing to the insurer information as to reasons for cancellation or refusal to renew, for any statement made by any of them in complying with this section or for providing information pertaining thereto.

# State Corporation Commission

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Virginia

## NOTICE OF CANCELLATION OR REFUSAL TO RENEW COMMERCIAL LIABILITY OTHER THAN AUTOMOBILE INSURANCE POLICIES

KIND OF POLICY:
POLICY NO.:
DATE OF MAILING:
ISSUED THROUGH AGENCY OR OFFICE AT:

INSURANCE  
COMPANY:

NAME AND MAILING  
ADDRESS OF INSURED:

(Applicable item marked  )

---

We hereby cancel the above mentioned policy in accordance with Virginia law effective \_\_\_\_\_ at \_\_\_\_\_.  
(date) (time)  
Reason(s) for cancellation: \_\_\_\_\_  
\_\_\_\_\_

---

We hereby notify you in accordance with Virginia law that the above mentioned policy will expire effective \_\_\_\_\_ at \_\_\_\_\_ and the policy will  
(date) (time)  
not be renewed.  
Reason(s) for non-renewal: \_\_\_\_\_  
\_\_\_\_\_

---

**Review by Commissioner of Insurance:** Virginia law provides that within 15 days of receipt of this Notice you are entitled to request in writing to the Commissioner of Insurance that he review the action of this Company in cancelling or not renewing your insurance. The Commissioner's address is: Commissioner of Insurance, State Corporation Commission, P. O. Box 1157, Richmond, VA 23209.

# State Corporation Commission

## Bureau of Insurance

June 4, 1986

Administrative Letter 1986-11

TO: All Health Maintenance Organizations and Health Service Plans

RE: Health Agent Study Course and Examination

During the 1986 Session the Virginia General Assembly passed a new insurance title.

The language in § 38.2-1815 provides that an individual must be licensed as either a life and health agent or a health agent to solicit or procure coverage under a Health Maintenance Organization (HMO) or Health Services Plan. All prospective health agents must complete a State Corporation Commission (SCC) approved twenty-five-hour health coverage study course, or meet the waiver requirement set forth in paragraph C of Code Section 38.2-1816. Effective July 1, 1986, the State Corporation Commission's Bureau of Insurance will implement the requirements for licensure as a health agent. This requirement must be met by agents currently licensed as prepaid hospitalization sales representatives, prepaid medical and surgical services sales representatives, medical health sales representatives, and health maintenance organizations sales representatives before they can solicit or procure coverage under an HMO or Health Services Plan.

The purpose of this Administrative Letter is to set forth the qualification criteria for approving Training Seminars to teach the twenty-five-hour study course that is required for prospective health agents, to establish the qualifications necessary to be considered an approved instructor, to introduce the addendum to the "Agents Insurance Examination Preparation Manual" for Life and Health Insurance and to provide a copy of the Bureau approved study outline for use with the manual. The addendum to the "Agents Insurance Examination Preparation Manual" for Life and Health Insurance will be available June 5, 1986. The existing manual and addendum will serve as the basis for all examinations for a health license. The examinations will be given beginning July 1, 1986.

The manual, written by Bureau of Insurance personnel, is available for purchase through the Virginia Association of Life Underwriters. Their address and phone number are:

Virginia Association of Life Underwriters  
2807 Parham Road, Suite 303  
Richmond, Virginia 23229  
(804) 747-8020

The cost of the study manual is \$32.00 per book.

This manual will serve as the approved text for all

classroom instruction given. The attached "Course Outline" must be utilized in all classroom instruction for each approved study course. The outline establishes on a per chapter basis the amount of time in the overall curriculum which must be devoted to each topic. Examination questions applicable to our training manual have been developed by the Insurance Center, Drake University College of Business Administration, Des Moines, Iowa and the Bureau of Insurance.

The following criteria must be met in order to be approved as a qualified school and/or organization to teach the pre-licensing qualification course for prospective Health Agents:

1. Schools shall be operated by:
  - (a) accredited educational institutions such as local community colleges and/or colleges and universities;
  - (b) home and/or district offices of companies licensed to transact business in this State;
  - (c) general agencies of licensed companies;
  - (d) professional associations such as the Virginia Association of Life Underwriters, the Independent Insurance Agents of Virginia, the Insurance Women of Virginia, the Norfolk Association of Insurance Women or the Professional Insurance Agents' Association; or
  - (e) other individuals or entities qualified by reason of their previous work experience or professional training.
2. Each training seminar must be taught by an SCC approved instructor.
3. Each class must have a minimum of five students, unless otherwise approved due to geographical hardship.
4. Each course must be taught at least once a year.
5. Each approved school must utilize the "Agents Insurance Preparation Manual" for Life and Health Insurance with the addendum and the attached course outline.
6. At the completion of each training seminar, the school must provide to the Bureau a certification indicating each individual student's final examination score and course average. (sample attached)

Instructors who are approved to teach the twenty-five-hour study course must meet the following criteria:

Each prospective instructor must submit a current and detailed resume demonstrating knowledge and



# State Corporation Commission

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experience in the field of health care benefits for review by Bureau personnel;

a. Have a CLU, FLMI, Master of Insurance Degree or other equivalent education satisfactory to the State Corporation Commission, as well as, a minimum of three years of health benefits management or training experience; or

b. Be an insurance teacher at an approved educational institution.

All requests for approval should be forwarded to William B. Walker, Agents' Licensing and Examination Supervisor, The State Corporation Commission's Bureau of Insurance, Post Office Box 1157, Richmond, Virginia 23209. Any questions concerning the approval process should be directed to Mr. Walker at (804) 786-8699.

/s/ James M. Thomson  
Commissioner of Insurance

# State Corporation Commission

## HEALTH AGENT STUDY COURSE

### STUDY GUIDE FOR USE WITH LIFE AND HEALTH INSURANCE EXAMINATION PREPARATION MANUAL AND ADDENDUM MATERIALS

	<u>Chapter</u>	<u>Time</u>
<b>I. <u>INTRODUCTION</u></b>		
A. Insurance Basics:	1	1
1. Risk and Insurance		
2. The Essential Ingredients of Insurable Risks		
3. Types of Insurance		
4. Types of Insurers		
5. Insurance Regulation (Overview)		
B. State Insurance Regulation:		
1. Agents and Brokers	2	1
2. Unfair Trade Practices Act and Disclosure Regulations	2	1
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d. Medicare Supplement Insurance		
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# State Corporation Commission

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# State Corporation Commission

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\_\_\_\_\_  
Date of Issue

## CERTIFICATE OF SATISFACTORY COMPLETION

Bureau of Insurance  
State Corporation Commission  
P. O. Box 1157  
Richmond, Virginia 23209

Commissioner of Insurance

This is to certify that: \_\_\_\_\_  
\_\_\_\_\_

Social Security No. \_\_\_\_\_

has taken and satisfactorily completed the program of studies to become licensed as a "Health Agent" in the Commonwealth of Virginia. This program of studies has been filed with and has the approval of the Commissioner of Insurance of the Commonwealth of Virginia in accordance with Section 38.2-1816 Code of Virginia.

The course started \_\_\_\_\_ and terminated \_\_\_\_\_.

The above student's grades were as follows:

\_\_\_\_\_ Final Examination

\_\_\_\_\_ Entire Course

Very truly yours,

\_\_\_\_\_  
Name of School or Company

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Title

Form AL-1, July 1, 1986

# State Corporation Commission

\* \* \* \* \*

AT RICHMOND, JUNE 3, 1986

COMMONWEALTH OF VIRGINIA, ex rel.

STATE CORPORATION COMMISSION

CASE NO. BFI850266

Ex Parte: In re: Regulation Governing  
Savings Institution Holding Companies

## ORDER ADOPTING REGULATION III-1 SAVINGS INSTITUTION HOLDING COMPANIES

By order herein dated April 1, 1986, there was published for comment a proposed regulation, designated "Regulation III-1 - Savings Institution Holding Companies", which was designed to supersede the existing regulation on that subject. Revision of the existing regulation was necessitated by the enactment in 1985 of Chapter 3.01 of Title 6.1 of the Code, the Virginia Savings Institutions Act.

On this day the Bureau of Financial Institutions has represented to the Commission that its instructions for notifying the public and interested persons of the proposed regulation have been carried out: i.e. by letter dated April 4, 1986, the Bureau sent a copy of the proposed regulation to each state association and solicited comments and requests for a hearing; further, the Bureau caused public notice of the proposed regulation to be published. Having afforded the opportunity for comment through May 13, 1986, the Bureau has received no substantive comment on the regulation and no request for a hearing has been received.

Upon consideration of the foregoing circumstances, it appears to the Commission that:

- (1) Pursuant to Virginia Code § 12.1-28 and Rule 4:12 of the Rules of Practice and Procedure of the State Corporation Commission, reasonable notice of the content of the regulation has been given and an opportunity to be heard afforded;
- (2) The proposed regulation should be approved with no substantive change, but with some re-phrasing of § 3, Scope, for the sake of clarity.

IT IS ORDERED THEREFORE that the regulation attached hereto, designated Virginia Savings Institution Regulation III-1 - Savings Institution Holding Companies, be adopted, and it hereby is adopted pursuant to Virginia Code § 6.1-194.87, for use in connection with state-chartered savings institutions in Virginia. The regulation shall be effective immediately, and shall remain in effect until revoked or modified by order of the Commission. Former Regulation III-1, Savings and Loan Holding Companies, is hereby repealed.

IT IS FURTHER ORDERED that the Bureau of Financial Institutions mail a copy of the regulation adopted

herein to each state association. There being nothing further to be done in this matter, the case shall be dismissed and placed among the ended cases.

ATTESTED COPIES hereof, with the regulation attached, shall be sent to the Office of the Attorney General, 101 North 8th Street, 5th Floor, Richmond, Virginia 23219; Mark W. Saur, President, Virginia League of Savings Institution, Imperial Building, 5th and Franklin Streets, Richmond, Virginia 23219; Federal Home Loan Bank of Atlanta, P.O. Box 56527, Peachtree Center Station, Atlanta, Georgia 30343; and the Commissioner of Financial Institutions.

\* \* \*

## REGULATION III-1 SAVINGS INSTITUTION HOLDING COMPANIES

### § 1. Authority

Title 6.1, Chapter 3.01, Code of Virginia § 6.1-194.87

### § 2. Definitions

"Savings institution" means a savings and loan association, building and loan association, building association, or savings bank, whether organized as a capital stock corporation or a nonstock corporation, which is authorized by law to accept deposits and to hold itself out to the public as engaged in the savings institution business.

"State savings institution" means a savings institution granted a certificate of authority pursuant to the laws of the Commonwealth. (The term is identical to "state association" as defined in Code § 6.1-194.2.)

"Savings institution holding company" means any person that directly or indirectly, or acting in concert with one or more other companies or persons (including one or more subsidiaries or affiliates) controls one or more stock savings institutions, or that controls in any manner the election of a majority of the directors of such an institution.

"State savings institution holding company" means a savings institution holding company that controls one or more state savings institutions, but that is not a "regional savings institution holding company" as defined in § 6.1-194.96.

"Control" means the ownership, control, or power to vote twenty-five percent or more of the voting shares of a state savings institution or other company, the ability to elect a majority of the directors of such an institution or company, or, as determined by the Commission on the basis of evidence, actual control of the management or policies of such an institution or company.

"Company" means any corporation, partnership, trust,

# State Corporation Commission

joint-stock company, or similar organization.

"Person" means a company, association, joint venture, pool, syndicate, sole proprietorship, unincorporated association, individual or any other entity not specifically listed.

"Financial institution" means any bank, trust company, savings and loan association, industrial loan association, consumer finance company, or credit union. (Code § 6.1-2.1.)

## § 3. Scope

This regulation governs acquisitions intra-state of control of state savings institutions and of state savings institution holding companies, and acquisitions by such holding companies. It governs the examination, supervision and regulation of state savings institution holding companies. This regulation does not apply to any inter-state acquisition authorized by Article 11 of Chapter 3.01, or to the reporting, examination, supervision, and regulation of any regional savings institution holding company resulting from such an inter-state transaction; such matters are governed entirely by Article 11 and by any regulation adopted pursuant thereto.

## § 4. Requirement of an application

A. Except as provided in subsection B of this section, no person shall take any action, or consummate any transaction, directly or indirectly, or through or in concert with one or more other persons, that would result in the creation of a state savings institution holding company, and no persons shall acquire control of a state savings institution or state savings institution holding company, unless such person first (i) files a satisfactorily completed application with the Bureau of Financial Institutions using the form prescribed from time to time for such purpose; (ii) delivers to the Bureau such other information as the Bureau may require, certified or verified as may be deemed appropriate by the Bureau; (iii) pays an application fee of \$3,000; and (iv) receives prior written approval of the action, transaction or acquisition from the Commission.

B. In instances in which the action to be taken is limited to the formation of a corporation by a state savings institution for the purpose of acquiring and holding the stock of such state savings institution, and the shareholders of the state savings institution will become the shareholders of the resulting state savings institution holding company, no application fee shall be required.

C. No state savings institution holding company shall acquire control of any additional financial institution, or of any other company which is not a financial institution, unless such state savings institution holding company first (i) files a satisfactorily completed

application with the Bureau of Financial Institutions using the form prescribed from time to time for such purpose; (ii) delivers to the Bureau such other information as the Bureau may require, certified or verified as may be deemed appropriate by the Bureau; (iii) pays an application fee of \$3,000; and (iv) receives prior written approval of the acquisition from the Commission.

## § 5. Standard for approval

A. No application that involves the acquisition of control of a state savings institution or a state savings institution holding company, other than applications of the types described in subsections B and C of § 4 of this regulation, shall be approved unless the Commission determines that:

1. The proposed acquisition would not be detrimental to the safety and soundness of the applicant or of the state savings institution or state savings institution holding company which the applicant seeks to acquire or control;

2. The applicant, its directors and officers (if applicable), and any proposed new directors and officers of the state savings institution or state savings institution holding company which the applicant seeks to control, are qualified by character, experience and financial responsibility to control and operate a state savings institution or state savings institution holding company.

3. The proposed acquisition would not be prejudicial to the interests of the depositors, creditors, beneficiaries of fiduciary accounts or shareholders of the state savings institution holding company of any state savings institution which the applicant seeks to acquire or control; and

4. The acquisition is in the public interest.

B. No application that involves the circumstances described in Section 4.b or 4.c of this regulation shall be approved unless the Commission determines that the proposed action or transaction would not be detrimental to the soundness of any state savings institution affected by the action or transaction.

## § 6. The Application process

Upon receiving a satisfactorily completed application, the Bureau will accept it as filed, investigate the proposed transaction, and present the matter to the Commission for action.

In every case the Commission will act within 90 days after an application has been filed, unless such time is extended. The ninety-day investigation period may be extended if the Commission determines that the applicant has not furnished all the information necessary to make

# State Corporation Commission

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the determinations required herein or that the information submitted is substantially inaccurate or misleading.

Within the prescribed investigation period (or any extension thereof), and upon request of the applicant or any state savings institution or state savings institution holding company which the applicant seeks to acquire or control, or upon its own motion, the Commission may order a hearing concerning the proposed acquisition. Within the prescribed investigation period (or any extension thereof), the Commission, by giving written notice of its decision and the reasons therefor to the applicant and to the state savings institution or state savings institution holding company which the applicant seeks to acquire or control, may: (i) approve the application, (ii) disapprove the application, or (iii) impose such conditions on the acquisition as the Commission may deem advisable to effect the purposes of this section.

The ninety-day investigation period may be shortened or waived by the Commission, as it deems appropriate, if the Commission finds that it must act immediately in order to prevent the probable failure of a state savings institution affected by the application.

## § 7. Reporting

Every state savings institution holding company shall report by filing with the Bureau a copy of every report such holding company submits to the Federal Savings and Loan Insurance Corporation or the Federal Home Loan Bank Board. Any person that is a state savings institution holding company but that is not subject to FSLIC reporting requirements shall file such reports as the Bureau may direct.

## § 8. Books and records

The Bureau may require every state savings institution holding company to maintain its books and records in such form as the Bureau deems necessary for its determination that every state savings institution subject to the control of such holding company is being operated in a safe and sound manner.

## § 9. Examination of holding company

The Bureau may examine any state savings institution holding company and any subsidiary or affiliate of such a holding company when such examination is deemed necessary or appropriate to the proper supervision of any state savings institution. The cost of any such examination shall be borne by the holding company. Every state savings institution holding company, and every affiliate or subsidiary thereof, shall make available to the Bureau such books and records as the Bureau may require.

## § 10. Cease and desist orders

If the Commission finds that any action or activity, current or proposed, of a state savings institution holding

company, or of any affiliate or subsidiary thereof, is detrimental to the safety or soundness of any state savings institution, the Commission, after reasonable notice to the holding company and an opportunity for it to be heard, may order the holding company to cease and desist from such action or activity.

\* \* \* \* \*

AT RICHMOND, JUNE 12, 1986

COMMONWEALTH OF VIRGINIA

At the relation of the

STATE CORPORATION COMMISSION

CASE NO. CLK860572

Ex Parte: In the Matter of  
Revising the Rules of Practice  
and Procedure of the State  
Corporation Commission

### ADMINISTRATIVE ORDER

The 1985 Session of the Virginia General Assembly recodified and renumbered certain portions of the Virginia Nonstock Corporation Act and the Virginia Stock Corporation Act. Based on this recodification, we must now update our Rules of Practice, and Procedure ("Rules") to reflect these changes. We also propose to amend procedural Rule 5:12(b) which governs the copies and paper size required for applications and petitions filed by utilities. This revision is not substantive in nature but acts only to clarify the existing rule.

NOW, THE COMMISSION is of the opinion and finds that certain of its current Rules of Practice and Procedure should be amended, as more particularly appears in Attachment A hereto, which is made a part hereof, and the same are hereby ORDERED adopted to become effective August 1, 1986. All proceedings, instituted on or after said date shall comply with these rules, as shall all proceedings then pending.

These rules shall be published in the Commission's Annual Report. Parties to whom copies of this order and the published full text of the Rules shall be furnished are: all Virginia utilities regulated by the Commission; John W. Riely, Esquire, Hunton & Williams, P.O. Box 1535, Richmond, Virginia 23212; John L. Walker, Jr., Esquire, Woods, Rogers & Hazelgrove, 105 Franklin Road, Roanoke, Virginia 24004-0720; Ronald M. Ayers, Esquire, Johnson, Ayers & Matthews, P.O. Box 2200, Roanoke, Virginia 24009; Eric M. Page, Esquire, Thorsen & Page, 320 West Broad Street, Richmond, Virginia 23220; Stephen H. Watts, II, Esquire, McGuire, Woods & Battle, 1400 Ross Building, Richmond, Virginia 23219; Henry H. McVey, III, Esquire, 1400 Ross Building, Richmond, Virginia 23219; Russell Sage, Esquire, P.O. Box 11278, Alexandria, Virginia 22312; Michael J. Morrissey, Esquire, 7611 Little River Turnpike, Annandale, Virginia 22003; Aubrey J. Rosser, Jr., Esquire,

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P.O. Box 348, Altavista, Virginia 24517; Hamill D. Jones, Jr., Esquire, 815 Mutual Building, Richmond, Virginia 23219; Calvin F. Major, Esquire, P.O. Box 5010, Richmond, Virginia 23220; Jere W. Glover, Esquire, 1725 K Street N.W., Suite 308, Washington, D.C. 20006; Randolph Rollins, Esquire, 1400 Ross Building, Richmond, Virginia 23219; J. Maurice Miller, Jr., Esquire, P.O. Box 1122, Richmond, Virginia 23208; Paul M. Shuford, Esquire, 605 Mutual Building, Richmond, Virginia 23219; James C. Roberts, Esquire, 1111 East Main Street, Richmond, Virginia 23208; Wilbur L. Hazelgrove, Esquire, Woods, Rogers & Hazelgrove, 105 Franklin Road, Roanoke, Virginia 24004-0720; Peter Clark, Esquire, P.O. Box 231, Wilmington, Delaware 19899; Steven W. Pearson, Esquire, 310 South Boulevard, Richmond, Virginia 23221; J. Lewis Rawls, Jr., Esquire, P.O. Box 1458, Suffolk, Virginia 23434; C. Hobson Goddin, Esquire, P.O. Box 5010, Richmond, Virginia 23220; Atwell W. Somerville, P.O. Box 629, Orange, Virginia 22960; Anthony Gambardella, Esquire, 101 North 8th Street, 6th Floor, Richmond, Virginia 23219; Warner F. Brundage, Jr., Esquire, 703 East Grace Street, Richmond, Virginia 23219; Edward L. Flippen, Esquire, P.O. Box 1122, Richmond, Virginia 23208; Robert P. Buford, Esquire, P.O. Box 1535, Richmond, Virginia 23208; Allen C. Goolsby, III, P.O. Box 1535, Richmond, Virginia 23208; Evans B. Brasfield, Esquire, P.O. Box 1535, Richmond, Virginia 23208; Marcus D. Williams, Esquire, 4100 Chain Bridge Road, Fairfax, Virginia 22030; Glenn J. Berger, Esquire, 919 18th Street N.W., Washington, D.C. 20006; Leslie A. Grandis, Esquire, McGuire, Woods & Battle, One James Center, Richmond, Virginia 23219; A. C. Epps, Esquire, 1200 Mutual Building, Richmond, Virginia 23219; Hulihan Williams Moore, Esquire, 1200 Mutual Building, Richmond, Virginia 23219; Lawrence E. Lindeman, Esquire, 805 King Street, Alexandria, Virginia 22314; Joseph E. Blackburn, Jr., Esquire, 300 West Main Street, Richmond, Virginia 23220; Lathan Ewers, Esquire, P.O. Box 1535, Richmond, Virginia 23212; Dewey B. Morris, Esquire, P.O. Box 1535, Richmond, Virginia 23212; John W. Edmonds, III, Esquire, P.O. Box 1122, Richmond, Virginia 23208; Fred Palmore, Esquire, P.O. Box 1122, Richmond, Virginia 23208; F. Clalborne Johnston, Jr., Esquire, P.O. Box 1122, Richmond, Virginia 23208; S. Miles Dumville, Esquire, 310 South Boulevard, Richmond, Virginia 23220; Howard Dobbins, Esquire, P.O. Box 242, Richmond, Virginia 23202; George H. Heilig, Jr., Esquire, 700 Newtown Road, Norfolk, Virginia 23502; David Meade White, Esquire, 300 West Main Street, Richmond, Virginia 23220; Stephen R. Larson, Esquire, 1200 Mutual Building, Richmond, Virginia 23219; Hunter R. Manson, Esquire, Investors Savings and Loan Association, 9201 Forest Hill Avenue, Richmond, Virginia 23235; Thomas C. Brown, Jr., Esquire, P.O. Box 9346, McLean, Virginia 22102; Richard C. Beale, Esquire, P.O. Box 2127, Virginia Beach, Virginia 23452; Daniel E. Rogers, II, Esquire, 1200 Mutual Building, Richmond, Virginia 23219; and Thomas E. Carr, Esquire, P.O. Box 1-Q, Richmond, Virginia 23202.

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## ATTACHMENT A

### AMENDMENTS TO THE RULES OF PRACTICE AND PROCEDURE, EFFECTIVE AUGUST 1, 1986

#### PART II. ORGANIZATION.

2:4. Administrative Divisions. The public responsibilities of the Commission are divided among the following divisions:

... (d) Clerk's Office.

Issuance of all corporate charters and amendments thereto and certificates of merger; collection of corporate registration fees; licensing of foreign corporations; public depository of all documents required by law to be filed by domestic and foreign corporations; certification of Commission records; powers and functions of a clerk of a court of record in all matters within the Commission's jurisdiction; statutory agent pursuant to Code §§ 13.1-637 and 13.1-836.

#### PART V. PLEADINGS.

5:12. Copies and Paper Size Required.

... (b) Applications, together with petitions filed by utilities, shall be filed in original with 15 copies unless otherwise specified by the Commission. Applications, petitions, and supporting exhibits which are filed by a utility shall be bound securely on the left hand margin. An application shall not be bound in volumes exceeding two inches in thickness. An application containing exhibits shall have tab dividers between each exhibit and shall include an index identifying its contents.

#### PART VIII. FORMAL HEARING.

8:9. Petition for Rehearing or Reconsideration. All final judgments, orders and decrees of the Commission, except judgments as prescribed by Code § 12.1-36, and except as provided in Code §§ 13.1-614 and 13.1-813, shall remain under the control of the Commission and subject to be modified or vacated for 21 days after the date of entry, and no longer. A petition for a rehearing or reconsideration must be filed within said 21 days, but the filing thereof shall not suspend the execution of an appeal, unless the Commission, solely at its discretion, within said 21 days, shall provide for such suspension in an order or decree granting the petition. A petition for rehearing or reconsideration must be served on all other parties as provided by Rule 5:12, but no response to the petition, or oral argument thereon, will be entertained by the Commission. An order granting a rehearing or reconsideration will be served on all parties by the Clerk.

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# State Corporation Commission

AT RICHMOND, JUNE 5, 1986

COMMONWEALTH OF VIRGINIA

At the relation of the

STATE CORPORATION COMMISSION

CASE NO. PUC860017

Ex Parte: In the Matter of  
Adopting Rules to Implement the  
Small Investor-owned Telephone  
Utility Act.

## ORDER OF PUBLICATION

The 1986 Session of the General Assembly passed the "Small Investor-owned Telephone Utility Act" ("Act") in order to streamline and simplify regulatory procedures governing tariff changes for small investor-owned telephone companies. This Act is applicable to any investor-owned public utility (other than a Cooperative) having a gross annual operating revenue which does not exceed \$10 million and which owns, manages or controls any plant or equipment within the Commonwealth for the conveyance of telephone messages either directly or indirectly to or for the public. Section 56-532 (E) of the Act authorizes the Commission to promulgate rules to implement § 56-532, which specifies how tariff changes by small investor-owned telephone companies shall be made.

Having considered the mandate of this statute, the Commission is of the opinion that a proceeding should be initiated to consider proposed rules to implement § 56-532.

### WHEREFORE, IT IS ORDERED:

(1) That this matter is hereby docketed and shall be assigned Case No. PUC860017;

(2) That the Commission's Division of Communications forthwith cause a copy of the following notice to be published once a week for two consecutive weeks in newspapers having general circulation throughout the Commonwealth:

**NOTICE BY THE STATE CORPORATION  
COMMISSION OF ITS CONSIDERATION OF  
RULES TO IMPLEMENT SECTION 56-532 OF THE  
SMALL INVESTOR-OWNED TELEPHONE UTILITY  
ACT - CASE NO. PUC860017**

The Virginia State Corporation Commission has initiated a proceeding to consider the adoption of rules pursuant to Virginia Code § 56-532(E) of the Small Investor-owned Telephone Utility Act ("Act"). This Act applies to any investor-owned telephone company (other than a Cooperative) which is a public utility and has a gross annual operating revenue which does not exceed \$10 million. Section 56-532 of this Act prescribes streamlined regulatory procedures governing tariff changes by small investor-owned telephone

utilities.

The Commission invites interested persons, including telephone companies subject to the Act, to comment in writing or request a hearing on the rules which the Commission is now considering to implement Virginia Code § 56-532. A copy of these rules may be examined at the Commission's Document Control Center, Floor B-1, Jefferson Building, Bank and Governor Streets, Richmond, Virginia, Monday through Friday, during the hours of 8:00 a.m. to 5:00 p.m., or during regular business hours at the business offices where customers may pay bills of each small investor-owned telephone company.

Interested persons may submit written comments addressing the proposed rules on or before July 23, 1986, by filing an original and fifteen (15) copies of same with George W. Bryant, Jr., Clerk, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23216, and making reference to Case No. PUC860017. Anyone who wishes to be heard on the proposed rules must file not later than July 23, 1986, with George W. Bryant, Jr., Clerk, at the address specified above, an original and fifteen (15) copies of a request for hearing. Requests for hearing must make reference to Case No. PUC860017. In the absence of requests for hearing the Commission may be expected to act on the proposed rules after considering all written comments.

### STATE CORPORATION COMMISSION

(3) That any person, including any public utility subject to the rules, may file comments regarding the proposed rules set forth in Attachment A hereto, and may request a hearing thereon, provided an original and fifteen (15) copies of the comments and any requests for hearing are filed on or before July 23, 1986, with George W. Bryant, Jr., Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23216. Comments and requests for hearing shall refer to Case No. PUC860017. In the absence of a request for hearing - evidentiary or argument - the Commission may be expected to act on the proposed rules set out in Attachment A hereto after considering all written comments;

(4) That, on or before August 11, 1986, the Commission's staff may file an original and fifteen (15) copies of a report, analyzing the comments and proposing revisions to the rules, where appropriate, for the Commission's consideration. The staff shall serve a copy of its report upon all interested parties to this proceeding filing comments; and

(5) That each telephone company subject to this Act shall forthwith make a copy of the rules set forth in Attachment A available for public inspection during normal business hours at offices where customer bills may be paid.

# State Corporation Commission

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to: all local exchange telephone companies subject to the Act; the Division of Consumer Counsel, Office of the Attorney General, 101 North 8th Street, Richmond, Virginia 23219; and the Commission's Divisions of Communications, Economic Research and Development, and Accounting and Finance.

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## ATTACHMENT A

### RULES GOVERNING SMALL INVESTOR-OWNED TELEPHONE UTILITIES' APPLICATIONS FOR INCREASES IN RATES

The following rules apply to any investor-owned public utility (other than a cooperative) having a gross annual operating revenue not in excess of \$10 million and owning, managing or controlling plant or equipment or any part thereof within the Commonwealth for the conveyance of telephone messages, either directly or indirectly to or for the public. Hereafter these companies shall be referred to as "small telephone companies" or "applicant." Small telephone companies should perform their own tariff justification analysis in-house prior to changing their rates, tolls, charges, fees, rules, or regulations (hereinafter collectively referred to as "tariffs"). As a part of its in-house tariff justification, small telephone companies should consider whether the tariff change is necessary and whether such change is dictated by the cost of providing the tariffed service. All tariff changes of small telephone companies must be "just and reasonable" as that standard is defined in Virginia Code § 56-235.2.

#### RULES

§ 1. Small telephone companies shall file all changes in their tariffs with the Division of Communications of the State Corporation Commission at least 15 days in advance of the notice to the public required in § 2 below.

§ 2. Small telephone companies shall complete notice to its customers 30 days prior to the effective date of changes in its tariffs. This notice shall at a minimum use the following format to the extent applicable:

**NOTICE OF (INCREASES IN, CHANGES IN) RATES,  
TOLLS, CHARGES, RULES AND REGULATIONS  
OF SERVICE OF (INSERT NAME OF SMALL  
TELEPHONE COMPANY)**

( Insert name of telephone company ) plans to change its (tariffs) on file with the State Corporation Commission, effective for service rendered on and after ( effective date ). As a result of this change, ( insert name of telephone company ) expects its (tariffs) to produce an additional \$ ..... in gross annual operating revenues, representing an increase of .... % in local operating revenues.

(If applicable) The telephone company also proposes to change the following portions of its rules and regulations of service: (Summarize changes).

Any interested party may review (insert name of small investor-owned telephone utility's) proposed changes during regular business hours at the telephone company office where consumer bills may be paid and at the Commission's Division of Communications located on the 8th Floor of the Jefferson Building, Bank and Governor Streets, Richmond, Virginia.

Any interested party may file written comments in support of or objecting to the proposed changes, or requests for hearing, with the Division of Communications, State Corporation Commission, P.O. Box 1197, Richmond, Virginia 23209. Requests for hearing must state the reason for the request. Such comments or requests must be filed with the Division of Communications on or before (name date 10 days before the effective date of tariff).

(NAME OF SMALL TELEPHONE COMPANY)

Small telephone companies shall mail the foregoing notice to any customer subject to the tariff change, including other common carriers utilizing the utilities' facilities when the proposed changes directly affect other common carriers.

§ 3. If the Commission receives protests or objections filed by or on behalf of the lesser of 5 percent or 150 customers subject to any small telephone company's schedules stating a change of tariff, or if the Commission acts on its own motion to investigate the utility's tariffs, the Commission may suspend the enforcement of any or all of the proposed tariffs for a period not exceeding 150 days from the date of the filing of the revised tariff. Notice of the suspension shall be given by the Commission to the small telephone company prior to the expiration of the 30 days' notice to the public.

§ 4. If the Commission receives protests or objections to the changes in a tariff, which are filed by or on behalf of the lesser of 5 percent or 150 customers subject to same, or if the Commission, acting on its own motion, determines to investigate the utility's change in a tariff, an order will be issued by the Commission setting a date by which the telephone utility shall file an application which shall contain the information set forth in §§ 5 or 6 below, as applicable. This order shall also specify a filing schedule for applicant, protestants, and staff and shall establish a hearing date.

§ 5. An application for a rate increase filed pursuant to § - hereof by a small telephone company, having more than \$3 million in gross annual operating revenue, or which is a subsidiary of a telecommunications company, (a telecommunications company is a corporation which owns, manages, or controls any plant or equipment for the conveyance of voice or data messages, either directly or

# State Corporation Commission

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indirectly to or for the public) shall include:

A. The name and post office address of the applicant and the name and post office address of its counsel (if any).

B. A clear description of the proposed tariff changes, and a narrative explaining why an increase in rates is needed, as well as the overall percentage increase in rates proposed.

C. All direct testimony by which the applicant expects to support the rate increase. In lieu of prefiling direct testimony, the applicant may submit an affidavit which certifies that the information in the application is correct and that the applicant adopts the information contained in the schedules as its evidence in support of the application.

D. Exhibits consisting of Schedules 1 through 16 shown in the Appendix to these rules shall be submitted with the applicant's direct testimony or affidavit adopting the information contained in the schedules.

E. Exhibits consisting of additional schedules may be submitted with the applicant's direct testimony. Such schedules shall be identified as Schedule 17 et seq.

F. All applications shall be filed in an original and fifteen (15) copies with the exception of Schedule 12. Two copies of Schedule 12 shall be filed directly with the Commission's Division of Accounting and Finance. Additional copies of Schedule 12 shall be made available to parties upon request. An application shall not be deemed filed with the Commission for the purposes of Virginia Code §§ 56-238 and 56-240 unless all information required by the rules and accompanying schedules are filed in conformity with these rules and schedule instructions.

G. The selection of a test period is up to the applicant. However, the use of overlapping test periods shall not be permitted.

H. The applicant shall serve a copy of the information required in § 5, paragraphs A and B, upon the Commonwealth's Attorney and Chairman of the Board of Supervisors of each county (or equivalent officials in counties having alternate forms of government) in this State affected by the proposed rate increase and upon the Mayor or Manager and the attorney of every city and town (or on equivalent officials in towns and cities having alternate forms of government) in this State affected by the proposed rate increase. The applicant shall also serve each such official with a statement that a copy of the complete application may be obtained at no cost by making a request therefor orally or in writing to a specified officer of applicant. In addition, applicant shall serve a copy of its complete application upon the Division of Consumer Counsel, Office of the Attorney General of Virginia. All service specified by this rule shall be made either by (a) personal delivery, or (b) by first class mail,

postage prepaid, to the customary place of business or the residence of the person served.

§ 6. An application for a rate increase filed pursuant to § 4 hereof by a small telephone company, having less than \$3 million in gross annual operating revenues and which is not a subsidiary of a telecommunications company as that term is defined in § 5 above, need only file exhibits consisting of Schedules 1 - 4, and 7 - 16, shown in the Appendix to these rules, but shall otherwise comply with the requirements of § 5. A company having less than \$3 million in gross annual operating revenue and which is not a subsidiary of a telecommunications company may use Form M filed with the Commission annually as the data base for its Capital Structure and Cost of Capital Statement (Schedule 1). Schedules 9 and 10 for these companies should reflect total company, per books amounts. Jurisdictional separations included in columns 2 and 3 of Schedules 9 and 10 are not required for these companies.

## APPENDIX

### Schedule 1

#### Capital Structure and Cost of Capital Statement

Instructions: This schedule shall state the amount of each capital component per balance sheet, the amount for ratemaking purposes, the percentage weight in the capital structure, the component cost, and the weighted capital cost, using the format of the attached schedule. This information shall be provided for the test period. In Part A, the test period information should be compatible with the SCC Annual Operating Report. The methodology used in constructing the capital structure should be consistent with that approved in the applicant's last rate case. If the applicant wishes to use a different methodology in constructing its capital structure in a rate application, it may prepare an additional schedule labeled as Schedule 1(a) explaining the methodology used and justifying any departure from applicant's last rate case.

The amounts and costs for short-term debt, revolving credit agreements, and similar arrangements shall be based on a 13-month average over the year, or, preferably, a daily average during the test year, if available. All other test period accounts are end-of-year. The component weighted cost rates equal the product of each component's capital structure weight for ratemaking purposes times its cost rate. The weighted cost of capital is equal to the sum of the component weighted cost rates. The job development credits cost is equal to the weighted cost of capital, while cost free capital has zero cost by definition.

# State Corporation Commission

## Schedule 1

### Capital Structure and Cost of Capital Statement

#### Test Period

#### A. Capital Structure Per Balance Sheet (\$)

Short Term Debt  
Customer Deposits  
Other Current Liabilities  
Long Term Debt  
Common Equity  
Investment Tax Credits  
Other Tax Deferrals  
Other Liabilities  
Total Capitalization

#### B. Capital Structure Approved for Ratemaking Purposes (\$)

Short Term Debt  
Long Term Debt  
Job Development Credits  
Cost Free Capital  
Common Equity  
Total Capitalization

#### C. Capital Structure Weights for Ratemaking Purposes (%)

Short Term Debt  
Long Term Debt  
Job Development Credits  
Cost Free Capital  
Common Equity  
Total Capitalization (100%)

#### D. Component Capital Cost Rates (%)

Short Term Debt  
Long Term Debt  
Job Development Credits  
Cost Free Capital  
Common Equity (Authorized)

#### E. Component Weighted Cost Rates (%)

Short Term Debt  
Long Term Debt  
Job Development Credits  
Cost Free Capital  
Common Equity (Authorized)  
Weighted Cost of Capital

Instructions: Provide a description of each issue, amount outstanding, percentage of total capitalization, and annualized cost based on the embedded cost rate. These data shall support the debt cost contained in Schedule 1. Provide a detailed breakdown of all cost free capital items contained in Schedule 1.

## Schedule 3

### Schedule of All Short Term Debt, Revolving Credit Agreements and Similar Arrangements

Instructions: Provide data and explain the methodology used to calculate the cost and balance contained in Schedule 1 for short term debt, revolving credit agreements and similar arrangements.

## Schedule 4

### Stockholders Annual Report

Instructions: Provide a copy of the most recent stockholders' annual report and SEC Form 10K (if SEC Form 10K is available).

## Schedule 5

### Company Profitability and Capital Markets Data

Instructions: This schedule shall be prepared by companies having more than \$3 million in gross annual operating revenue which are not a subsidiary of a telecommunications company, using the definitions provided below and the format of the attached schedule. These Companies shall provide data for the two most recent calendar years plus the test period. This information shall be compatible with the latest Stockholders' Annual Reports (including any restatements).

#### Definitions

Return on Year

$$\text{End Equity}^* = \frac{\text{Earnings Available for Common Stockholders}}{\text{Year End Common Equity}}$$

Return on

$$\text{Average Equity}^* = \frac{\text{Earnings Available for Common Stockholders}}{\text{The Average of Year End Equity for the Current and Previous Year}}$$

$$\text{E.P.S.} = \frac{\text{Earnings Available for Common Shareholders}}{\text{Average No. Common Shares Outstanding}}$$

D.P.S. = Common Dividends Paid Per Share During the Year

$$\text{Payout Ratio} = \text{D.P.S./E.P.S.}$$

$$\text{Average Market Price}^{**} = \frac{(\text{Yearly High} + \text{Yearly Low Price})}{2} \text{ (if known)}$$

.....

## Schedule 2

### Schedule of Bonds, Mortgages, Other Long Term Debt, and Cost Free Capital

# State Corporation Commission

\*Job Development Credit shall not be included as part of equity capital nor shall a deduction be made from earnings for a capital charge on these Job Development Credits.

\*\*An average based on monthly highs and lows is also acceptable. If this alternative is chosen, provide monthly market prices and sufficient data to show how the calculation was made.

## Schedule 5

Company Profitability and Capital Market Data      19      19      Test Period

### A. Ratios

Return on Year End Equity  
Return on Average Equity

Earnings Per Share  
Dividends Per Share  
Payout Ratio

Market Price of  
Common Stock:  
Year's High  
Year's Low  
Average Price

### B. External Funds Raised

External Funds Raised -  
All Sources (itemized)  
Dollar Amount Raised  
Coupon Rate (if applicable)  
Rating Service (if applicable)  
Average Offering Price  
(for Stock)

## Schedule 6

### Coverage Ratios and Cash Flow Profile Data

Instructions: This schedule shall be prepared using the definitions and instructions given below and using the format of the attached schedule for the past two calendar years plus the test period.

- Interest (Lines 3, 4, 5) shall include amortization of discount expense and premium on debt without deducting an allowance for borrowed funds used during construction.

- Income taxes (line 2) include federal and state income taxes (in Virginia gross receipts tax should be considered state income tax).

- Earnings before interest and taxes (Line 6) equals net income plus income taxes plus total interest = (line 1) + (line 2) + (line 5).

- IDC (line 8), where applicable, is total IDC - for

borrowed and other funds.

- Cash flow generated (line 14) = (line 1) + (line 9) + (line 10) + (line 11) + (line 12) - (line 8) - (line 13).

- Construction expenditures (line 15) is net of IDC.

### Coverage Definitions for Schedule 6

Pre-Tax =  $\frac{\text{Earnings before Interest \& Taxes}}{\text{Interest Coverage Interest}}$  =  $\frac{\text{line 6}}{\text{line 5}}$

Common Dividend Coverage =  $\frac{\text{Cash Flow Generated}}{\text{Common Dividends}}$  =  $\frac{\text{line 14}}{\text{line 16}}$

Cash Coverage of Construction =  $\frac{\text{Cash Flow Generated}}{\text{Construction Expenditures}}$  =  $\frac{\text{line 14}}{\text{line 15}}$

## Schedule 6

Coverage Ratios and Cash Flow Data      19      19      Test Period

### Interest Coverage Ratios

a. Pre-Tax Method

### Cash Flow Coverage Ratios

a. Common Dividend Coverage

b. Cash Flow Coverage of Construction Expenditures

### Data for Interest Coverage

1. Net Income
2. Income Taxes
3. Interest on Mortgages
4. Other Interest
5. Total Interest
6. Earnings Before Interest and Taxes
7. Estimated Rental Interest Factor (SEC)

### Data for Cash Flow Coverage

1. Net Income
8. IDC
9. Amortization
10. Depreciation
11. Change in Deferred Taxes
12. Change in Investment Tax Credits
13. Preferred Dividends Paid
14. Cash Flow Generated
15. Construction Expenditures
16. Common Dividends Paid

## Schedule 7

### Comparative Balance Sheets

Instructions: Provide a comparative balance sheet for the test period and the corresponding twelve-month period immediately preceding the test period.

## Schedule 8

### Comparative Income Statement

# State Corporation Commission

Instructions: Provide a comparative income statement for the test period and the twelve-month period immediately preceding the test period.

## Schedule 9

### Rate of Return Statement

Instructions: Use the format of the attached schedule. Column 1 should state the Applicant's total Company per books results for the test period. Nonjurisdictional amounts will be shown in Column 2, and Column 3 will reflect Virginia jurisdictional amounts. Adjustments to test period per books results can be shown in Column 4. These adjustments shall be explained in Schedule 11. If a calendar year test period is used, Column 1 can be prepared from information filed by applicant in its annual report to the Commission. If a calendar year test period is used, operating revenue line items can be found in Schedule 34 at page 58 of the Annual Report. "Depreciation and Amortization" is set forth on Line 23 of Schedule 35 at page 60 of the Annual Report. "Operating and Maintenance Expense" can be derived by subtracting the amount of depreciation and amortization expense from total operating expenses (Schedule 35, line 68). Interest on customer deposits must be calculated from applicant's books. Column 6 should show the increase requested by applicant.

### Schedule 9 - Test Period Rate of Return Statement

Total company Per Books Col. (1)	Non-Jurisdic. Amounts Col. (2)	Virginia Jurisdic. Amounts Col. (3)	Adjustments Col. (4)	Amounts After Adjustments Col. (5)	Effect of Proposed Increase Col. (6)	After Proposed Increase Col. (7)
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#### Operating Revenues

Local Service  
Toll Service  
Access Charges  
Miscellaneous  
Less: Uncollectible

#### Total Revenues

#### Operating Expenses

Operating and Maintenance Expense  
Depreciation and Amortization  
Income Taxes  
Taxes Other than Income Taxes  
Gain/Loss on Property Disposition

#### Total Expenses

#### Operating Income

Less: Charitable Donations  
Interest Expense on Customer Deposits

#### Net Operating Income

#### Adjusted

Plus: Other Income (Expense)  
Less: Interest Expense  
Preferred Dividend Expense  
JDC Capital Expense

#### Income Available for Common Equity

Allowance for working capital  
Net Utility Plant

#### Total Rate Base

Total Capital for Ratemaking  
Common Equity Capital

#### Rate of Return Earned on Rate Base

Rate of Return Earned on Common Equity

## Schedule 10

### Statement of Net Original Cost of Utility Plant and Allowances for Working Capital for the Test Year

Instructions: This schedule should be constructed using the ratemaking policies, procedures, and guidelines last prescribed for applicant by the Commission. The schedule should indicate all property held for future use by account number and the date of the planned use should be shown. In a footnote, applicant should identify the amount of plant and working capital devoted to nonregulated business activities, if any. Such plant shall not be included in the rate base. Applicants should use the format described below. The unamortized balance of investment tax credits shall be deducted from rate base if the telephone company is subject to Option 1 treatment under I.R.S. Code § 46(f). Column (4) adjustments should be explained and detailed in Schedule 11. Columns (2) and (3) only apply to companies with over \$3,000,000 in gross annual operating revenues which are subsidiaries of telecommunications companies.

### Schedule 10 - Net Original Cost of Utility Plant and Allowances

Total Company Per Books Col. (1)	Non-Jurisdic. Amounts Col. (2)	Jurisdic. Amounts Col. (3)	Ajustments Col. (4)	Amounts After Adjustments Col. (5)
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Telephone Plant in Service  
Telephone Plant under construction  
Property held for future use

#### Gross Plant

Lesws: Reserve for Depreciation

# State Corporation Commission

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## Net Telephone Plant

### Allowance for Working Capital

- Materials and supplies  
(13 month average)
- Cash (20 days of O&M expenses)

### Total Allowance for Working Capital

### Other Rate Base Deductions:

- Customer Deposits
- Deferred Federal Income Taxes
- Customer Advances for Construction
- Option 1 Investment Tax Credits

### Total Other Rate Base Deductions

## Rate Base

### Schedule 11

#### Explanation of Adjustments to Book Amounts

Instructions: All ratemaking adjustments to test period operations (test period and proforma) are to be fully explained in a supporting schedule to the applicant's Schedules 9 and 10. Such adjustments shall be numbered sequentially beginning with operating revenues. Supporting data for each adjustment, including the details of its calculation, should be provided. Examples of adjustments include:

1. Adjustments to annualize changes occurring during the test period.
2. Adjustments to reflect known and certain wage agreements and payroll taxes occurring in the test period and proforma period (the 12-month period following the test period).
3. Adjustments to reflect depreciation and property taxes based on end-of-period plant balances.
4. Adjustments relating to known or anticipated changes occurring during the test period or proforma period.
5. Amounts relating to known and certain changes in company operations that take place in the proforma period can be adjusted through the end of the rate year. The rate year shall be defined as the 12 months following the effective date of new rates. The proforma period shall be defined as the 12 months immediately following the test year.

### Schedule 12

#### Working Papers

Instructions: Provide detailed work papers and supporting schedules of all proposed adjustments. Two copies of this exhibit shall be filed with the

Commission's Division of Accounting and Finance. Copies shall be provided to parties on request. Each schedule shall identify sources of all data. Data shall be clearly identified as actual or estimated.

### Schedule 13

#### Revenue and Expense Schedule

Instructions: The applicant shall provide information about revenues by primary account (consumer classification) and operating and maintenance expenses by primary account during the test period.

The applicant shall also provide a detailed explanation of all revenue and expense item increases and decreases of more than 10% during the test period as compared to the 12-month period immediately preceding the test period. Worksheets used to compute the percentage change should be available for review upon request.

### Schedule 14

#### Explanation of Proposed Revenue Requirement Calculation

Instructions: Provide a schedule describing the methodology used to determine the revenue requirement shown on Schedule 9, Column 6.

### Schedule 15

#### Additional Revenues

Instructions: Show the calculations of the additional gross revenues and percentage increases by customer classes that would be produced by the new rates during the test period.

### Schedule 16

#### State of Compliance

Instructions: Include the following statement signed by the person(s) sponsoring the application:

I, (Name of Sponsoring Party), (Title), affirm that this application complies with the Commission's Rules for small investor-owned telephone utilities' applications for increases in rates, and I further affirm that the schedules filed to support the application comply with the instructions for the schedules set forth in the Appendix to those rules.

(Signature of Sponsoring Party)

(Date)

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# GOVERNOR

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## EXECUTIVE ORDER NUMBER EIGHT (86)

### CREATING GOVERNOR'S COMMISSION ON EXCELLENCE IN EDUCATION

By virtue of the authority vested in me as Governor by Section 2.1-51.36 of the Code of Virginia, and subject to my continuing and ultimate authority and responsibility to act in such matters, I hereby create the Governor's Commission on Excellence in Education.

The Commission shall have the general responsibility to advise the Governor regarding the achievement of excellence at all levels of elementary and secondary education in Virginia. The Commission shall specifically consider and recommend actions that it deems necessary to achieve the objective, established in 1984 by the Governor's Commission on Virginia's Future, that "as it nears the year 2000, Virginia should aspire to a statewide educational system that is among the nation's very best. Virginia should rank among the top ten states in the quality of education it offers."

The Commission shall be composed of the nine members of the Board of Education and seven additional members appointed by the Governor and serving at his pleasure. The Governor shall designate a member of the Commission to serve as its chairman.

Members of the Commission shall receive that compensation and those expenses to which members of the Board of Education are entitled pursuant to Section 2.1-20.3 of the Code of Virginia. These and such other funds as are necessary for the fulfillment of the Commission's responsibilities during the term of its existence shall be provided from funds appropriated to the Department of Education or from such sources, both public and private, authorized by Section 2.1-51.37 of the Code of Virginia.

Such staff support as is necessary for the conduct of the Commission's business during the term of its existence shall be provided by the Department of Education and such other executive agencies as the Governor may from time to time designate.

This Executive Order shall become effective upon its signing and shall remain in full force and effect until March 23, 1987, unless amended or rescinded by further executive order.

Given under my hand and under the Seal of the Commonwealth of Virginia this twenty-fourth day of March, 1986.

/s/ Gerald L. Baliles  
Governor

## EXECUTIVE ORDER NUMBER ELEVEN (86)

### CREATING THE VIRGINIA-ISRAEL COMMISSION

By virtue of the authority vested in me as Governor by Section 2.1-51.36 of the Code of Virginia, and subject to my continuing and ultimate authority and responsibility to act in such matters, I hereby create the Virginia-Israel Commission, a Commission to commemorate the fortieth anniversary of the founding of the State of Israel.

I direct the Virginia-Israel Commission to investigate the cultural, educational and economic development opportunities between the Commonwealth of Virginia and the State of Israel, and to chart the Commonwealth's commemoration of Israel's fortieth anniversary. The Commission shall specifically consider and recommend a plan for a broad series of exchanges of people, ideas and exhibits between the Commonwealth of Virginia and the State of Israel to be undertaken during the year preceding April 21, 1988, Israel's fortieth anniversary.

The Commission's work shall be developed and directed by a fifteen member planning council. The planning council shall meet and consult with other members of the Commission regarding ideas, recommendations and projects for adoption and implementation.

The Commission shall be composed of approximately 100 members appointed by the Governor and serving at his pleasure. There shall be Chairman, a Vice Chairman, and four honorary chairmen appointed by the Governor. The Commission shall meet at the call of the Chairman.

Members of the Commission shall serve without compensation and shall not receive any reimbursement for expenses incurred in the discharge of their duties. Such funding as is necessary for the fulfillment of the Commission's responsibilities during the term of its existence shall be provided from such sources, both public and private, authorized by Section 2.1-51.37 of the Code of Virginia.

Such staff support as is necessary for the conduct of the Commission's business during the term of its existence shall be furnished by such executive agencies as the Governor may from time to time designate.

This Executive Order shall become effective upon its signing and shall remain in full force and effect until May 13, 1987, unless amended or rescinded by further executive order.

Given under my hand and under the Seal of the Commonwealth of Virginia this 14th day of May, 1986.

/s/ Gerald L. Baliles  
Governor



# Governor

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## GOVERNOR'S COMMENTS ON PROPOSED REGULATIONS

(Required by § 9-6.14:9.1 of the Code of Virginia)

### DEPARTMENT OF MEDICAL ASSISTANCE SERVICES

Title of Regulation: VR 460-03-4.194. Regulations Relating to the Nursing Home Payment System.

#### Governor's Comment:

I encourage the Department and the Board of Medical Assistance Services to carefully consider any public comments received on these proposed regulations prior to final adoption. In the future, I also expect the Department to highlight the fiscal impact of its proposed regulations in its submissions to my office and the Department of Planning and Budget to facilitate their review.

/s/ Gerald L. Baliles  
Date: June 9, 1986

### DEPARTMENT OF THE TREASURY AND TREASURY BOARD

Title of Regulation: VR 640-01. Procedures for Public Participation in the Development and Promulgation of Rules and Regulations.

#### Governor's Comment:

No substantive objection to proposed regulations as presented. I would urge the Department and Board to consider carefully the comments and suggestions they receive from interested parties, and to review the regulations for clarity and readability, prior to promulgation of final regulations.

/s/ Gerald L. Baliles  
Date: June 9, 1986

# GENERAL NOTICES/ERRATA

**Symbol Key †**  
† Indicates entries since last publication of the Virginia Register

## NOTICES OF INTENDED REGULATORY ACTION

### DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

#### † Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Department of Agriculture and Consumer Services intends to consider promulgating regulations entitled: **Recordkeeping and Biosecurity by Poultry Dealers for the Control of Avian Influenza and Other Contagious and Infectious Diseases of Poultry**. The purpose of the proposed regulations is to require the registration of dealers in poultry and their agents doing business in Virginia as a means of tracing poultry disease to its source, and thus as a means of enhancing disease-eradication capability.

Statutory Authority: §§ 3.1-726, 3.1-727, 3.1-735, and 3.1-736 of the Code of Virginia.

Written comments may be submitted until October 1, 1986, to Poultry Dealers, Bureau of Veterinary Services, Virginia Department of Agriculture and Consumer Services, Washington Building, Suite 600, 1100 Bank Street, Richmond, Virginia 23219

Contact: Dr. A. J. Roth, Chief, Bureau of Veterinary Services, Washington Building, Suite 600, 1100 Bank Street, Richmond, Va. 23219, telephone (804) 786-2483

#### † Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Department of Agriculture and Consumer Services intends to consider amending regulations entitled: **VR 115-02-12. Health Requirements Governing the Admission of Livestock, Poultry, Companion Animals, and Other Animals or Birds Into Virginia**. The purpose of the proposed regulations is to set standards governing the importation of llamas into the Commonwealth of Virginia from other states, so as to prevent introduction through llamas of the tuberculosis, brucellosis, and bluetongue diseases.

Statutory Authority: §§ 3.1-723 through 3.1-741 of the Code of Virginia.

Written comments may be submitted until September 1, 1986, to Llamas, Bureau of Veterinary Services, Virginia Department of Agriculture and Consumer Services, Washington Building, Suite 600, 1100 Bank Street, Richmond, Virginia 23219

Contact: Dr. A. J. Roth, Chief, Bureau of Veterinary Services, Washington Bldg., Suite 600, 1100 Bank Street, Richmond, Virginia 23219

#### † Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Virginia Department of Agriculture and Consumer Services intends to reconsider regulations entitled: **VR 115-04-12. Rules and Regulations for the Enforcement of the Virginia Gasoline and Motor Fuels Law**. The purpose of the proposed regulations is to assure consumers that all motor fuel offered for sale is accurately labeled and meets established minimum specifications by prescribing minimum specifications for distillation, Reid vapor pressure, water and sediment and gum in gasoline; flash point, water and sediment, sulfur, cetane, distillation and corrosion in diesel fuel. It provides the requirements for registration and labeling of gasoline and diesel fuel; it prescribes the regulatory action to be taken when motor fuels are found not to conform to minimum specifications and it requires the publication of information filed in connection with registration and results of tests of official samples.

The State Board of Agriculture and Consumer Services conducted a public hearing on February 26, 1986, to consider amendments to the Rules and Regulations for the Enforcement of the Virginia Motor Fuels Law (VR 115-04-12).

During the public participation period, a comment was received that suggested further amendments to the proposed regulations published in the December 9, 1985, edition of the Virginia Register. The commentator suggested two additional amendments to "§ 2. Specifications for gasoline and diesel fuel."

A. Gasoline.

Test

ASTM Method

1. Distillation. .... D86

The commentator proposed an additional distillation specification that reads:

# General Notices/Errata

Percent evaporated at 77°C (170°F)  
Maximum ..... 50%

The commentor recommended an amendment to Item No. 2 in the gasoline test procedure related to Reid Vapor Pressure. The current test and method reads:

Reid Vapor Pressure 100°F PSI ..... D323

The proposed amendment, for clarity only, would be added to the test method. The amended regulation would read:

Reid Vapor Pressure 100°F PSI ..... D323  
or Division of Consolidated Laboratories dry method for oxygenated fuels.

There were no further comments supporting or opposing the regulations during the public hearing. At the recommendation of the department staff, the board voted unanimously to adopt the regulations including the proposed amendments.

The final regulation, including the recommended amendments, was scheduled to be published in "final form" in the May 26, 1986, edition of the Virginia Register. However, the ethanol industry believes one of the amendments [Percent evaporated at 77°C (170°F)] recommended during the participation period and adopted by the board February 26, 1986, adversely affected that industry and was significant enough to be reconsidered by the board before the planned effective date of June 25, 1986.

The staff agreed and on May 16 the Commissioner requested the Registrar of Regulations to delay the publication of "Final Regulation" until further notice. The Registrar received the request after the type for the May 26, 1986, issue had been set. However, the regulation with overlaid statement "Regulations Temporarily Withdrawn by Agency" were printed in the May 26 edition of the Virginia Register.

At the May 22, 1986, board meeting the board moved and adopted to have the regulations become effective 30 days following publication in the Virginia Register, with the exception of that portion of § 2.A.1. which reads "Percent evaporated at 77°C (170°F) maximum 50%."

The board moved and adopted that the exception to the regulations effective date be delayed until January 1, 1987. The board instructed the department to publish in the Virginia Register a notice providing at least 45 days for additional written comments with regard to the exception.

Statutory Authority: §§ 59.1-153 and 59.1-156 of the Code of Virginia.

Written comments may be submitted until 5 p.m., August 21, 1986, to Raymond Vaughan, Secretary, Board of Agriculture and Consumer Services, 1100 Bank Street, P.O. Box 1163, Richmond, Virginia 23209

Contact: W. P. Zentmeyer, Supervisor, Fertilizer, Lime and Motor Fuel Section, 1100 Bank St., P.O. Box 1163, Richmond, Va. 23209, telephone (804) 786-3511

## STATE AIR POLLUTION CONTROL BOARD

### † Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the State Air Pollution Control Board intends to consider amending regulations entitled: **VR120-01. Regulations for the Control and Abatement of Air Pollution: Permits for Stationary Sources (Part VIII)**. The primary purpose of this notice is to seek comment on the pros and cons of two proposals (and any possible alternatives) the agency is considering regarding its regulations concerning permits for stationary sources. They are as follows:

1. To establish a requirement for a renewable permit to operate for all existing stationary sources currently subject to the agency's regulations.
2. To establish a requirement that a fee be required for the proposed permit to operate specified above and the permit to construct for new stationary sources currently in the agency's regulations.

In addition to the primary purpose specified above, the secondary purpose will be to undertake a review and seek comment on all aspects of the regulations covering permits for stationary sources. Consideration will be given to any suggestions that are received by the agency prior to September 15, 1986.

Statutory Authority: § 10-17.18(b) of the Code of Virginia.

Written comments may be submitted until September 15, 1986, to Director of Program Development, State Air Pollution Control Board, P.O. Box 10089, Richmond, Virginia 23240

Contact: M. E. Lester, Division of Program Development, State Air Pollution Control Board, P.O. Box 10089, Richmond, Va. 23240, telephone (804) 786-7564

## DEPARTMENT OF CRIMINAL JUSTICE SERVICES

### Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Department of Criminal Justice Services intends to consider amending regulations entitled: **Compulsory Minimum Training Standards for Jailors or Custodial Officers of Local Criminal Justice Agencies**. The purpose of the proposed amendment is to update existing requirements for the entry level training of these officers.

Statutory Authority: § 9-170(1) of the Code of Virginia.

Written comments may be submitted until July 15, 1986.

Contact: L. T. Eckenrode, Division Director, 805 E. Broad St., Richmond, Va. 23219, telephone (804) 786-8475

## VIRGINIA BOARD OF DENTISTRY

### † Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Virginia Board of Dentistry intends to consider promulgating new and repealing existing regulations entitled: **Rules and Regulations Governing the Practice of Dentistry and Dental Hygiene**. The purpose of the proposed regulations is to establish the requirements for licensure as dentists and dental hygienists in Virginia, to regulate the licensure of dentists and dental hygienists, and to discharge the duties required of the board by § 54-163 of the Code of Virginia in the protection of the health, safety and welfare of the citizens of the Commonwealth.

Statutory Authority: Chapter 8 (§ 54-146 et seq.) and Chapter 8.1 (§ 54-200.1 et seq.) of Title 54 of the Code of Virginia.

Written comments may be submitted until August 6, 1986.

Contact: Nancy T. Feldman, Executive Director, P. O. Box 27708, 517 W. Grace St., Richmond, Va. 23261, telephone (804) 786-0311 (toll-free number 1-800-533-1560)

## STATE EDUCATION ASSISTANCE AUTHORITY

### Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the State Education Assistance Authority intends to consider promulgating

regulations entitled: **Regulations Governing the Virginia Guaranteed Student Loan Program and PLUS Loan Program**. The purpose of the proposed regulation is to establish policies governing the administration of the Virginia student loan programs.

Statutory Authority: § 23-38.64 (2) of the Code of Virginia.

Written comments may be submitted until August 12, 1986.

Contact: Regina D. Williams, Director, Marketing/Communications, State Education Assistance Authority, 6 N. 6th St., Suite 300, Richmond, Va. 23219, telephone (804) 786-2035 (toll-free number 1-800-792-5626)

## VIRGINIA BOARD OF FUNERAL DIRECTORS AND EMBALMERS

### Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Virginia Board of Funeral Directors and Embalmers intends to consider promulgating regulations entitled: **VR 320-01-1. Regulations Governing the Practice of Funeral Services in the Commonwealth**. The purpose of the proposed regulations is to begin the promulgative process of board rules and regulations governing funeral practice in the Commonwealth. Substantial amendments and proposals include (i) reorganization of regulations in accordance with § 9-6.20 of the Code of Virginia; (ii) deletion of unnecessary, archaic, or duplicative language; (iii) promulgation of Public Participation Guidelines; and (iv) proposal of a fee increase for professional licenses and permits.

Statutory Authority: § 54-260.69 of the Code of Virginia.

Written comments may be submitted until July 23, 1986.

Other pertinent information: The board has completed a comprehensive study of these rules and regulations in conjunction with the Governor's Regulatory Review Process.

Contact: Mark L. Forberg, Executive Secretary, 517 W. Grace St., P.O. 27708, Richmond, Va. 23261, telephone (804) 786-0076 (toll-free number 1-800-533-1560)

## DEPARTMENT OF LABOR AND INDUSTRY

### † Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Department of

## General Notices/Errata

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Labor and Industry intends to consider promulgating regulations entitled: **Virginia Field Sanitation Standard**. The purpose of the proposed regulations is to require agricultural employers to provide potable drinking water and handwashing and toilet facilities for agricultural workers involved in hand labor operations in the field. Comments are requested on the intention to establish a standard as well as the appropriate minimum number of workers to be covered by the standard.

Statutory Authority: § 40.1-22 (5) of the Code of Virginia.

Written comments may be submitted until August 18, 1986, to Carol A. Amato, Commissioner, Virginia Department of Labor and Industry, 205 North Fourth Street, P.O. Box 12064, Richmond, Virginia 23241

Contact: Jay Withrow, VOSH Chief Administrator, Virginia Department of Labor and Industry, P.O. Box 12064, Richmond, Va. 23241, telephone (804) 786-8011

### VIRGINIA BOARD OF OPTOMETRY

#### † Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Virginia Board of Optometry intends to consider promulgating, amending and repealing regulations entitled: **Regulations of the Virginia Board of Optometry**. The purpose of the proposed regulations is to provide standards for the practice of optometry in Virginia and to establish requirements for candidates for examination and licensure as optometrists. The board proposes to act on argument and testimony received during the period of regulatory review since August 1, 1984. The board intends to formulate regulations based upon a comprehensive review of its existing regulations ordered by Executive Order 52-84 from the Office of the Governor.

Statutory Authority § 54-376 of the Code of Virginia.

Written comments may be submitted until August 7, 1986, to Virginia Board of Optometry, P.O. Box 27708, Richmond, Virginia.

Contact: Moira C. Lux, Executive Director, Virginia Board of Optometry, P.O. Box 27708, Richmond, Va. 23261, telephone (804) 786-0131

### 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 630-2-322. Virginia Taxable Income (Virginia Individual Income Tax Regulations)**. This regulation is being amended to conform to the changes made by the 1986 General Assembly to § 58.1-322 of the Code of Virginia (Chapters 474 and 515). This Code section was amended to provide an additional \$1,000 deduction for each child under permanent foster care residing in a taxpayer's home for the entire taxable year, provided that the child qualifies as that taxpayer's dependent under § 151 of the Internal Revenue Code. This Code section was also amended to provide an exclusion from the income tax for benefits paid by retirement plans organized by public institutions of higher education under § 51-111.28 of the Code of Virginia.

Statutory Authority: § 58.1-203 of the Code of Virginia.

Written comments may be submitted until September 15, 1986.

Contact: Danny M. Payne, Director, Tax Policy Division, Department of Taxation, P.O. Box 6-L, Richmond, Va. 23282, telephone (804) 257-8010

#### † 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 630-10-22.1. Churches (Virginia Retail Sales and Use Tax Regulations)**. This regulation is being amended to conform to the change made by the 1986 General Assembly to § 58.1-608.38 of the Code of Virginia (Chapter 605, Senate Bill 192). This Code section was amended to expand the exemption for nonprofit churches to include purchases of baptistries, certain printed materials used in carrying out the work of the church and gifts for use outside church buildings.

Statutory Authority: § 58.1-203 of the Code of Virginia.

Written comments may be submitted until September 15, 1986.

Contact: Danny M. Payne, Director, Tax Policy Division, Department of Taxation, P.O. Box 6-L, Richmond, Va. 23282, telephone (804) 257-8010

#### † 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 630-10-24.1. Commercial Watermen (Virginia Retail Sales and Use Tax Regulations)**. This regulation is being amended to conform to the changes made by the 1985 and 1986 sessions of the General Assembly to § 58.1-608.28 of

the Code of Virginia (1985 Acts, Chapter 471 and 1986 Acts, Chapter 605). This Code section was amended to expand the exemption granted to commercial watermen.

Statutory Authority: § 58.1-203 of the Code of Virginia.

Written comments may be submitted until August 11, 1986.

Contact: Danny M. Payne, Director, Tax Policy Division, Department of Taxation, P.O. Box 6-L, Richmond, Va. 23282, telephone (804) 257-8010

### † 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 630-10-28. Credit and Installment Sales (Virginia Retail Sales and Use Tax Regulations)**. The proposed amendments to the regulations will set forth the application of the sales and use tax to persons making conditional, charge or installment sales.

Statutory Authority: § 58.1-203 of the Code of Virginia.

Written comments may be submitted until August 11, 1986.

Contact: Danny M. Payne, Director, Tax Policy Division, Department of Taxation, P.O. Box 6-L, Richmond, Va. 23282, telephone (804) 257-8010

### † 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 630-10-32. Dealer's Withdrawals from Inventory (Virginia Retail Sales and Use Tax Regulations)**. The purpose of the proposed amendment is to reflect 1986 legislative changes concerning the application of the Virginia Retail Sales and Use Tax to tangible personal property withdrawn from inventory for donation to a nonprofit organization or for donation to the state.

Statutory Authority: § 58.1-204 of the Code of Virginia.

Written comments may be submitted until August 10, 1986.

Contact: Danny M. Payne, Director, Tax Policy Division, P.O. Box 6-L, Richmond, Va. 23282, telephone (804) 257-8010

### † 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 630-10-74. Nonprofit Organizations (Virginia Retail**

**Sales and Use Tax Regulations)**. The purpose of the proposed regulations is to reflect 1985 and 1986 legislative changes concerning the application of the Virginia Retail Sales and Use Tax to tangible personal property purchased for use or consumption by certain nonprofit organizations, and any other changes necessary to clarify the regulations.

Statutory Authority: § 58.1-204 of the Code of Virginia.

Written comments may be submitted until August 10, 1986.

Contact: Danny M. Payne, Director, Tax Policy Division, P.O. Box 6-L, Richmond, Va. 23282, telephone (804) 257-8010

### † 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 630-10-86. Printing (Virginia Retail Sales and Use Tax Regulations)**. The purpose of the proposed revision is to reference legislation enacted by the 1986 session of the General Assembly exempting high speed electrostatic duplicators and other duplicators which have a printing capacity of 4000 or more impressions per hour from the sales and use tax when purchased or leased by persons engaged primarily in the printing or photocopying of products for sale or resale.

Statutory Authority: § 58.1-203 of the Code of Virginia.

Written comments may be submitted until September 15, 1986.

Contact: Danny M. Payne, Director, Tax Policy Division, Department of Taxation, P.O. Box 6-L, Richmond, Va. 23282, telephone (804) 257-8010

### † 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 630-10-96. Schools and Colleges, Certain Education Institutions and Other Institutions of Learning (Virginia Retail Sales and Use Tax Regulations)**. The purpose of the proposed regulation is to reflect 1986 legislative changes concerning the application of the Virginia Retail Sales and Use Tax to tangible personal property purchased for use or consumption or sale at retail by a Parent Teacher Association.

Statutory Authority: § 58.1-204 of the Code of Virginia.

Written comments may be submitted until August 10, 1986.

Contact: Danny M. Payne, Director, Tax Policy Division, P.O. Box 6-L, Richmond, Va. 23282, telephone (804) 257-8010

# General Notices/Errata

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## † 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 promulgating regulations entitled: VR 630-10-102.11. Taxidermists (Virginia Retail Sales and Use Tax Regulations). This regulation will set forth the application of the sales and use tax to taxidermists.

Statutory Authority: § 58.1-203 of the Code of Virginia.

Written comments may be submitted until September 15, 1986.

Contact: Danny M. Payne, Director, Tax Policy Division, Department of Taxation, P.O. Box 6-L, Richmond, Va. 23282, telephone (804) 257-8010

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, Assistant 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

## STATE WATER CONTROL BOARD

### Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the State Water Control Board intends to consider amending regulations entitled: Commonwealth of Virginia's Water Quality Standards. The purpose of considering proposed amendments to Water Quality Criteria for Surface Waters (Chronic Criteria for Protection of Aquatic Life) is to make these criteria compatible with the Environmental Protection Agency's (EPA) new criteria values published in the Federal Register July 29, 1985.

Statutory Authority: § 62.1-44.15(3) of the Code of Virginia.

Written comments may be submitted until July 15, 1986.

Contact: Stu Wilson, Water Resources Ecologist, State Water Control Board, P.O. Box 11143, Richmond, Va. 23230, telephone (804) 257-0387

## GENERAL NOTICES

### NOTICE 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

# CALENDAR OF EVENTS

## Symbol Key †

† Indicates entries since last publication of the Virginia Register  
☒ Location accessible to handicapped

### THE VIRGINIA CODE COMMISSION

Broad St., Richmond, Va. 23230, telephone (804) 257-8505  
(toll-free number 1-800-552-3016)

**NOTICE:** 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.

### GOVERNOR'S ADVISORY BOARD ON AGING

**July 17, 1986 - 8:30 a.m. - Open Meeting**  
Sheraton Airport Inn, (Hershberger Road West), 2727 Ferndale Drive, Roanoke, Virginia. ☒

A meeting to discuss issues and topics of relevance to older Virginians. The board will also welcome new board members and provide an orientation to services and programs for older Virginians to these new members.

**Contact:** William Peterson, Assistant to the Commissioner, Virginia Department for the Aging, 18th Floor, 101 N. 14th St., Floor, Richmond, Va. 23219, telephone (804) 225-2271/3140

## EXECUTIVE

### STATE BOARD OF ACCOUNTANCY

† **July 21, 1986 - 10 a.m. - Open Meeting**  
† **July 22, 1986 - 10 a.m. - Open Meeting**  
Department of Commerce, Travelers Building, 3600 West Board Street, Richmond, Virginia. ☒

The board will (i) review applications for certification and licensure, (ii) review disciplinary cases; and (iii) conduct general business.

**Contact:** Roberta L. Banning, Department of Commerce, 5th Floor, 3600 W. Broad St., Richmond, Va. 23220, telephone (804) 257-8505

**August 11, 1986 - 10 a.m. - Public Hearing**  
Department of Commerce, Travelers Building, 3600 West Board Street, Richmond, Virginia. ☒

Notice is hereby given in accordance with § 9-16.14:7.1 of the Code of Virginia that the State Board of Accountancy intends to amend regulations entitled: **Virginia State Board of Accountancy Rules and Regulations**. These regulations govern the profession of certified public accountants.

**Statutory Authority:** §§ 54-1.28 (5) and 54-84 of the Code of Virginia.

Written comments may be submitted until August 8, 1986.

**Contact:** Roberta L. Banning, Assistant Director, 3600 W.

### DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

#### Virginia Winegrowers Advisory Board

**July 10, 1986 - 10 a.m. - Open Meeting**  
State Capitol, House Room 2, Richmond, Virginia. ☒

This is the annual meeting of the Virginia Winegrowers Advisory Board. The agenda will include election of officers and review of submitted project proposals.

**Contact:** Lou Ann Ladin, Secretary-Treasurer, Virginia Winegrowers Advisory Board, Virginia Department of Agriculture and Consumer Services, P.O. Box 1163, Richmond, Va. 23209, telephone (804) 786-0481

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† **September 8, 1986 - 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 adopt regulations entitled: **VR 115-02-13. Rules and Regulations Governing the Transportation of Companion Animals**. These regulations establish



# Calendar of Events

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standards for transportation of impounded companion animals and companion animals moving in commerce.

## STATEMENT

**Subject:** The subject of these regulations is the transportation of companion animals.

**Substance:** Transportation of companion animals regulates transportation of impounded companion animals and those companion animals moved in commerce. Standards are set forth for primary enclosures, primary conveyances, terminal facilities, food and water requirements and care in transit and handling.

**Issues:** Issues to be considered include (i) the need for such regulations; (ii) what standards are necessary to accomplish the purpose of these regulations; and (iii) the economic impact of these regulations on regulated entities and the public.

**Basis:** Numerous instances of inhumane treatment of animals during transport and the inability to deal with these using existing enforcement measures requires the promulgation of these regulations.

**Purpose:** 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 state.

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

Written comments may be submitted until September 8, 1986 to Tonya K. Higgins, D.V.M., Animal Welfare Veterinarian, Department of Agriculture and Consumer Services, Division of Animal Health, Washington Building, Suite 600, 1100 Bank Street, Richmond, Virginia 23219-3639

**Contact:** Tonya K. Higgins, D.V.M., Animal Welfare Veterinarian, Department of Agriculture and Consumer Services, Division of Animal Health, Washington Bldg., Suite 600, 1100 Bank St., Richmond, Va. 23219-3639, telephone (804) 786-2483

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† September 8, 1986 - 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 adopt regulations entitled: **VR 115-02-14. Rules and Regulations Governing the Transportation of Horses.** These regulations establish standards for transportation of loads of horses being transported to a commercial slaughter facility.

## STATEMENT

**Basis:** Numerous instances of inhumane treatment of animals during transport and the inability to deal with these using present enforcement measures requires the promulgation of these regulations.

**Purpose:** The purpose of these regulations is to specify those requirements to be met when transporting live horse 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.

**Impact:** A. Number and types of regulated entities or persons affected:

1. Auction Sales - Horses (2) - data from VDAC/AH/VS.
2. Those carrying horses to slaughter in loads of six or more - 25 - data from Cavalier Export Company, Inc., Evington, Virginia.

B. Projected cost to regulated entities (and to the public, if applicable) for implementation and compliance:

1. Horse auctions and the public - Only the passed through indirect costs, if any, occasioned by these regulations to those carrying horses to slaughter in loads of six or more.
2. Those carrying horse to slaughter in loads of six or more. Most trailers used today will meet the general structural requirements. Repair or modifications may require some expense which will vary according to the condition of the trailer.

C. Projected cost to Virginia Department of Agriculture and Consumer Services for implementation and enforcement - \$0. Anticipated costs to be borne by regulated entities.

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

Written comments may be submitted until September 8, 1986 to Tonya K. Higgins, D.V.M., Animal Welfare Veterinarian, Department of Agriculture and Consumer Services, Division of Animal Health, Washington Building, Suite 600, 1100 Bank Street, Richmond, Virginia 23219

**Contact:** Tonya K. Higgins, D.V.M., Animal Welfare Veterinarian, Department of Agriculture and Consumer Services, Division of Animal Health, Washington Bldg., Suite 600, 1100 Bank St., Richmond, Va. 23219, telephone (804) 786-2483

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† September 22, 1986 - 2 p.m. - Public Hearing  
Washington Building, 2nd Floor Board Room, 1100 Bank Street, Richmond, Virginia ☐

Notice is hereby given in accordance with § 9-6.14:17.1 of the Code of Virginia that the Department of Agriculture and Consumer Services intends to repeal regulations entitled: **Rules and Regulations Governing**

# Calendar of Events

the Production, Processing and Sale of Grade "A" Condensed and Dry Milk Products and Grade "A" Condensed and Dry Whey. These regulations govern the production, packing, labeling, storage, transportation, handling and sale of condensed and dry milk products and condensed and dry whey for use in commercial preparation of Grade "A" pasteurized milk products.

## STATEMENT

Basis, Purpose and Impact: This regulation is being repealed because its provisions have been incorporated into VR 115-05-01, Rules and Regulations Governing The Production, Processing and Sale of Grade "A" Pasteurized Market Milk and Grade "A" Pasteurized Market Milk Products and Certain Milk Products.

Statutory Authority: § 3.1-530.1 of the Code of Virginia.

Written comments may be submitted until September 5, 1986, to Raymond D. Vaughan, Secretary, Board of Agriculture and Consumer Services, P.O. Box 1163, Richmond, Virginia 23209

Contact: William R. Crump, Jr., Chief, Bureau of Dairy Services, Department of Agriculture and Consumer Services, Division of Dairy and Foods, P.O. Box 1163, Richmond, Va. 23209, telephone (804) 786-1452

\* \* \* \* \*

† September 22, 1986 - 2 p.m. - Public Hearing  
Washington Building, 2nd Floor Board Room, 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 115-05-01. Rules and Regulations Governing the Production, Processing and Sale of Grade "A" Pasteurized Market Milk and Grade "A" Pasteurized Market Milk Products and Certain Milk Products. These regulations prescribe the production, processing, labeling and distribution of Grade "A" Market Milk, and Grade "A" Market Milk Products within the Commonwealth of Virginia.

## STATEMENT

Basis: Milk is an excellent food which is part of the average Virginians' diet. It is especially recommended for infants, the elderly, the ill, and the debilitated. However, milk is also an excellent medium for all types of bacteria including infectious disease organisms. If it is not produced, processed and handled properly, it has and may cause outbreaks of disease in humans. Therefore, in the interest of the health and welfare of all citizens of the Commonwealth, requirements are needed to prevent such events.

The Board of Agriculture and Consumer Services found and declared that a uniform regulation was needed to govern the production, processing, labeling and distribution of Grade "A" Market Milk, Grade "A" Market Milk Products and Certain Milk Products within the Commonwealth.

Purpose: To assure a safe, pure and wholesome Grade "A" raw milk supply for delivery to pasteurization plants and the sale of only safe, pure, wholesome, properly labeled pasteurized milk and pasteurized milk products for the citizens of the Commonwealth; to define milk and certain milk products, milk producers, pasteurization, etc.; to prohibit the sale of adulterated and misbranded market milk, market milk products and certain milk products; to require permits for the sale of market milk, market milk products, and certain milk products; to regulate the inspection of dairy farms and milk plants, the examination, labeling, pasteurization, distribution and sale of milk and milk products; to provide quality standards for raw milk, market milk and milk products; to provide sanitation requirements for the production of raw milk and the processing of finished products; to require the sale of pasteurized Grade "A" milk and milk products to the final consumer; to provide provisions for personnel health; to provide for the sale of milk and various milk products from points beyond the limits of routine inspection; to provide procedure when infection is suspected in a person; to provide for the construction of future dairy farms and milk plants and the enforcement of the regulations and the fixing of penalties.

To allow laboratories other than state laboratories to perform official work.

To prescribe how cows will be clipped to help prevent the contamination of milk during the milking of cows and goats.

To provide standards for Virginia firms to manufacture and sell safe and wholesome Grade "A" condensed and dry milk products and Grade "A" condensed and dry whey; to define milk and certain milk products, pasteurization, etc.; to prohibit the sale of adulterated or misbranded milk and milk products; to require permits for the manufacture and sale of condensed and dry milk products; to regulate the inspection of condensing or drying plants and the examination, labeling, pasteurization, distribution and sale of condensed and dry milk products; to provide for the construction of future condensing plants and drying plants and the enforcement of the regulations.

To provide good sentence structure and improvement in clarity for 113 requirements.

To delete requirements for identifying cans used in the transportation of Grade "A" milk from the farm to the plant. In Virginia, milk is transported only in tank trucks from the farm to the milk plant.

Impact: This regulation affects 1550 Grade "A" milk

# Calendar of Events

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producers, 3 milk marketing cooperatives, 5 receiving or transfer stations, 22 milk processing plants, 1 condense milk-powder plant and 21 milk distributors within the Commonwealth of Virginia. It also affects 79 out-of-state milk processing plants doing business in Virginia.

Statutory Authority: § 3.1-530.1 of the Code of Virginia.

Written comments may be submitted until September 5, 1986, to Raymond D. Vaughan, Secretary, Board of Agriculture and Consumer Services, P.O. Box 1163, Richmond, Virginia 23209

Contact: William R. Crump, Jr., Chief, Bureau of Dairy Services, Department of Agriculture and Consumer Services, Division of Dairy and Food, P.O. Box 1163, Richmond, Va. 23208, telephone (804) 786-1452

\* \* \* \* \*

† September 22, 1986 - 2 p.m. - Public Hearing  
Washington Building, 2nd Floor Board Room, 1100 Bank Street, Richmond, Virginia ☐

Notice is hereby given in accordance with § 9-6.14:17.1 of the Code of Virginia that the Department of Agriculture and Consumer Services intends to amend regulations entitled: VR 115-05-02. Rules and Regulations Governing the Cooling or Storage of Milk on Dairy Farms; The Sampling and Sample Handling of Milk From the Farm to the Laboratory; The Handling Transferring, Hauling and Delivery of Milk From the Farm to the Processing Plant. These regulations govern the cooling and storage of milk on dairy farms, sampling and handling of milk samples and the hauling, transferring, storage, handling and delivery of milk from the farm to the processing plant within the Commonwealth of Virginia.

## STATEMENT

Basis: The Board of Agriculture and Consumer Services found and declared that a uniform regulation was needed to govern the cooling or storage of milk on dairy farms; the sampling of milk in storage and the handling of milk samples from the dairy farm to the laboratory; the hauling, transferring, storage, handling and delivery of milk from the farm to the processing plant within the Commonwealth of Virginia.

Purpose: To assure the delivery of high quality, safe, wholesome milk from milk producer farms to milk processing plants; to assure accurate measurements and test results used for pay purposes in the buying and selling of milk, and to require the collection of representative milk samples which can be used for official analysis such as bacteriological, brucellosis, pesticide, cryoscope, abnormal milk, antibiotic, milkfat and radiological tests; to define milk cooling or storage tanks, laboratories, dairy farms, plants etc.; to set forth permit requirements for contract and sub-contract haulers, milk haulers and

laboratories; to identify tank trucks; to require milkhouses and associate facilities; to set forth requirements for the construction, location and operation of milk cooling or storage tanks and the sampling and measuring of milk produced and sold from dairy farms; to require facilities and operations in hauling milk from the farm to the processing plant by the bulk system.

To require a milk hauler to perform certain duties whenever the recorder chart reveals the possibility of temperature abused milk in the farm milk cooling or storage tank.

To provide good sentence structure and improvement in clarity for 73 requirements.

Impact: This regulation affects 1550 Grade "A" milk producers, 500 certified manufacturing milk producers, 79 contract and/or sub-contract haulers, 22 milk processing plants, 15 receiving or transfer stations and 400 milk haulers, within the Commonwealth of Virginia.

Statutory Authority: § 3.1-530.1 of the Code of Virginia.

Written comments may be submitted until September 5, 1986, to Raymond D. Vaughan, Secretary, Board of Agriculture and Consumer Services, P.O. Box 1163, Richmond, Virginia 23209

Contact: W. R. Crump, Jr., Chief, Bureau of Dairy Services, Department of Agriculture and Consumer Services, Division of Dairy and Foods, P.O. Box 1163, Richmond, Va. 23208, telephone (804) 786-1452

## STATE AIR POLLUTION CONTROL BOARD

† July 9, 1986 - 10 a.m. - Open Meeting  
Broad Rock Branch Library, Auditorium, 4820 Warwick Road, Richmond, Virginia

The board will meet to allow public comment on a request for a permit from Compton Electric-Richmond Division to install and operate a burnout oven at 3100 North Hopkins Road in Richmond.

Contact: William M. Jewell, 8205 Hermitage Rd., Richmond, Va. 23228, telephone (804) 264-3067

## DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

July 15, 1986 - 9:30 a.m. - Open Meeting  
July 29, 1986 - 9:30 a.m. - Open Meeting  
2901 Hermitage Road, Richmond, Virginia. ☐

A meeting to receive and discuss reports on activities from staff members. Other matters not yet determined.

# Calendar of Events

**Contact:** Robert N. Swinson, 2901 Hermitage Rd.,  
Richmond, Va. 23220, telephone (804) 257-0617

## STATE BOARD OF ARCHITECTS, PROFESSIONAL ENGINEERS, LAND SURVEYORS, AND CERTIFIED LANDSCAPE ARCHITECTS

### State Board of Architects

† **August 26, 1986 - 9 a.m.** - Open Meeting  
Department of Commerce, Travelers Building, 5th Floor,  
3600 West Broad Street, Richmond, Virginia 23230. ☐

The board will meet to (i) approve minutes of May 2,  
1986, (ii) review investigative cases, and (iii) review  
applications.

**Contact:** Jennifer S. Wester, Acting Assistant Director,  
Department of Commerce, 3600 W. Broad St., Richmond,  
Va. 23230, telephone (804) 257-8555

### Virginia Board of Land Surveyors

† **August 1, 1986 - 9 a.m.** - Open Meeting  
Department of Commerce, Travelers Building, 5th Floor,  
3600 West Broad Street, Richmond, Virginia. ☐

The board will meet to (i) approve minutes of the  
February 21, 1986 meeting; (ii) review applications for  
fall exams; (iii) discuss NCEE Part IV exam; (iv)  
discuss VAS letter-Study Committee; (v) discuss Harlan  
Onsrud letter; and (vi) discuss pending cases.

### Board of Professional Engineers

**July 30, 1986 - 9 a.m.** - Open Meeting  
Department of Commerce, Travelers Building, 5th Floor,  
3600 West Broad Street, Richmond, Virginia. ☐

The board will meet to (i) approve minutes of the  
February 19, 1986, meeting; (ii) review investigative  
cases; (iii) review applications; (iv) conduct oral  
examinations; and (v) possibly discuss regulations.

**Contact:** Johnnie Williams, Assistant Director, APELSCLA,  
Department of Commerce, Travelers Bldg., Room 507, 3600  
W. Broad St., Richmond, Va. 23220, telephone (804)  
257-8512

## STATE BUILDING CODE TECHNICAL REVIEW BOARD

† **July 18, 1986 - 10 a.m.** - Open Meeting  
Fourth Street Office Building, 2nd Floor Conference Room,  
205 North 4th Street, Richmond, Virginia. ☐ (Interpreter

for deaf provided if requested)

The board will meet 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, Office of Uniform Building Code,  
205 N. 4th St., Richmond, Va. 23219, telephone (804)  
786-4751

## CHESAPEAKE BAY COMMISSION

† **July 11, 1986 - 9 a.m.** - Open Meeting  
Chincoteague National Wildlife Refuge, Auditorium,  
Chincoteague, Virginia

Agenda items include Chesapeake Bay education  
programs, state, interstate and federal fisheries  
management activities in the Bay; the Corps of  
Engineers Chesapeake Bay Shoreline Erosion Study;  
and other Chesapeake Bay-related activities in  
Maryland, Virginia and Pennsylvania.

**Contact:** Susan G. Dull, c/o Chesapeake Bay Commission,  
Suite 200, 60 West St., Annapolis, Md. 21404, telephone  
(804) 285-9499 or (301) 263-3420

## INTERDEPARTMENTAL COUNCIL ON RATE-SETTING FOR CHILDREN'S FACILITIES

† **July 11, 1986 - 9 a.m.** - Open Meeting  
Grafton School, Questover, Route 7, Berryville, Virginia. ☐  
(Interpreter for deaf provided if requested)

The council will review the Appeals Panel Training,  
elect officers and review its responsibilities pursuant to  
§ 2.1-703 of the Code of Virginia.

**Contact:** Nancy Bockes, P.O. Box 434, Independence, Va.  
24348, telephone (703) 773-2452

## INTERDEPARTMENTAL LICENSURE AND CERTIFICATION OF CHILDREN'S RESIDENTIAL FACILITIES

### Coordinating Committee

**July 11, 1986 - 8 a.m.** - Open Meeting,  
Department of Corrections, Room 105, 4615 West Broad  
Street, Richmond, Virginia. ☐

# Calendar of Events

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A meeting to (i) consider structured interim monitoring strategies for residential facilities; (ii) discuss the training plan; and (iii) to consider the progress report of the advisory committee.

Contact: Sandra G. Davis, Blair Bldg., 8007 Discovery Dr., Richmond, Va. 23229-8699, telephone (804) 281-9025

## BOARD OF COMMERCE

† July 16, 1986 - 9 a.m. - Open Meeting  
Bernard's Landing Conference Center, Smith Mountain Lake, Virginia

Regular meeting of the board. The agenda will include discussion of current studies being conducted by the Board of Commerce, and new member orientation.

Contact: Catherine M. Walker, Policy Analyst, Department of Commerce, 3600 W. Broad St., Richmond, Va. 23230, telephone (804) 257-8564

## DEPARTMENT OF COMMERCE

August 26, 1986 - 10 a.m. - Public Hearing  
Department of Commerce, Travelers Building, Room 395, 3600 West Broad Street, Richmond, Virginia. ☒

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Department of Commerce intends to adopt, amend and repeal regulations entitled: VR 190-04-1. Private Security Services Business Regulations. These regulations affect businesses offering private security services and their employees.

Statutory Authority: Chapter 17.3 (§ 54-729.27 et seq.) of Title 54 of the Code of Virginia.

Written comments may be submitted until August 22, 1986.

Contact: David E. Dick, Assistant Director, Department of Commerce, 3600 W. Broad St., Richmond, Va. 23230, telephone (804) 257-8515 (toll-free number 1-800-552-3016)

\* \* \* \* \*

† September 17, 1986 - 10 a.m. - Public Hearing  
Department of Commerce, Travelers Building, 3600 West Broad Street, Richmond, Virginia. ☒

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Department of Commerce intends to adopt regulations entitled: VR 190-01-1. Rules and Regulations Governing Employment Agencies. These regulations regulate individuals, partnerships and corporations offering

employment agency services.

## STATEMENT

Basis, Purpose, Impact and Summary: Pursuant to §§ 54-872.23:1 and 54-1.28:1 of the Code of Virginia, the Board of Commerce proposes to amend its existing regulations governing employment agencies.

The regulations apply directly to approximately 114 licensed employment agencies.

The board proposes to amend § 1.4 of the regulation so as to increase the annual renewal fee from \$55 to \$170.

The anticipated impact of the fee increase to licenses is \$13,110 annually.

Statutory Authority: § 54-872.23:1 of the Code of Virginia.

Written comments may be submitted until September 5, 1986.

Contact: Roberta L. Banning, Assistant Director, Department of Commerce, 3600 W. Broad St., Richmond, Va. 23230, telephone (804) 257-8505 (toll-free number 1-800-552-3016)

## STATE BOARD FOR COMMUNITY COLLEGES

† July 16, 1986 - 1 p.m. - Open Meeting  
James Monroe Building, Board Room, 15th Floor, 101 North 14th Street, Richmond, Virginia. ☒

State board will meet for a working session.

† July 16, 1986 - 3 p.m. - Open Meeting  
James Monroe Building, Board Room, 15th Floor, 101 North 14th Street, Richmond, Virginia. ☒

State Board Committees (Audit, Facilities, Personnel, Curriculum and Program, Budget and Finance) will meet.

† July 17, 1986 - 9 a.m. - Open Meeting  
James Monroe Building, Board Room, 15th Floor, 101 North 14th Street, Richmond, Virginia. ☒

State board meeting. (Agenda unavailable).

Contact: Dr. Ann L. Williams, State Board for Community Colleges, James Monroe Bldg., 15th Floor, 101 N. 14th St., Richmond, Va. 23219, telephone (804) 225-2117

# Calendar of Events

## DEPARTMENT OF CONSERVATION AND HISTORIC RESOURCES

### Falls of the James Advisory Committee

† July 18, 1986 - 12 Noon - Open Meeting  
Richmond City Hall, 3rd Floor Conference Room, 900 East Broad Street, Richmond, Virginia ☐

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, Division of Parks and Recreation, Washington Bldg., Room 1201, Capitol Square, Richmond, Va. 23219, telephone (804) 225-3004

### Virginia Historic Landmarks Board and Division of Historic Landmarks State Review Board (Joint Meeting)

† July 15, 1986 - 10:30 a.m. - Open Meeting  
Chippokes State Park, Route 10, Surry County, Virginia

To consider the addition of the following properties to the Virginia Landmarks Register and their nomination to the National Register of Historic Places and for a general business meeting:

Blenheim, Powhatan County;  
Buckshoal Farm, Halifax County;  
Cedar Creek Meeting House Archaeological Site, Hanover County;  
Cleydael, King George County;  
South Boston Historic District, City of South Boston.

Contact: Margaret T. Peters, Information Officer, 221 Governor St., Richmond, Va. 23219, telephone (804) 786-3143

### Virginia Soil and Water Conservation Board

July 9, 1986 - 2 p.m. - Open Meeting  
Blacksburg Marriott Inn, 900 Prices Fork Road N.W., Blacksburg, Virginia. ☐

A regular bimonthly business meeting.

Contact: Donald L. Wells, Suite 206, 203 Governor St., Richmond, Va. 23219-2094, telephone (804) 786-2064

## STATE BOARD FOR CONTRACTORS

† July 10, 1986 - 10 a.m. - Open Meeting  
Roanoke City Circuit Court, Courtroom, 315 West Church Avenue, Roanoke, Virginia

The board will meet to conduct a formal administrative hearing: State Board for Contractors v. J. B. Smith.

† July 24, 1986 - 10 a.m. - Open Meeting  
Department of Commerce, Travelers Building, Conference Room 3, 3600 West Broad Street, Richmond, Virginia. ☐

The board will meet to conduct a formal administrative hearing: State Board of Contractors v. Arthur S. McGurn.

Contact: Sylvia W. Bryant, Hearings Coordinator, Department of Commerce, 3600 W. Broad St., Richmond, Va. 23230, telephone (804) 257-8524

July 24, 1986 - 10 a.m. - Open Meeting  
Department of Commerce, Travelers Building, Board Room 1, 5th Floor, 3600 West Broad Street, Richmond, Virginia. ☐

A quarterly meeting to review applications, complaints, findings on disciplinary hearings conducted, imposition of sanctions, Contractor Recovery Fund Report, and to discuss existing regulations of the board and to consider alternatives.

Contact: E. G. Address, Assistant Director, 3600 W. Broad St., Richmond, Va. 23230, telephone (804) 257-8511

## BOARD OF CORRECTIONS

July 16, 1986 - 10 a.m. - Open Meeting  
August 13, 1986 - 10 a.m. - Open Meeting  
September 17, 1986 - 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 to the Board of Corrections.

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

July 30, 1986 - 2 p.m. - Open Meeting  
July 31, 1986 - 9 a.m. - Open Meeting  
Sheraton Hotel, Ball Room, 4700 South Laburnum Avenue, Richmond, Virginia. ☐

The board will consider proposed changes to the regulations governing the practice of dentistry and dental hygiene heard at its public hearing on April 10, 1986.

# Calendar of Events

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Contact: Nancy T. Feldman, Executive Director, 517 W. Grace St., Richmond, Va. 23220, telephone (804) 786-0311

## STATE BOARD OF EDUCATION

July 31, 1986 - 1 p.m. - Open Meeting  
August 1, 1986 - 9 a.m. - Open Meeting  
General Assembly Building, Senate Room B, 1st Floor, Capitol Square, Richmond, Va. ☒ (Interpreter for deaf provided if requested)

The State Board of Education will hold its regularly scheduled meeting on July 31 and August 1. 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 (804) 225-2540

## STATE EDUCATION ASSISTANCE AUTHORITY

September 3, 1986 - 10 a.m. - Public Hearing  
State Capitol, House Room 1, Richmond, Virginia. ☒

Notice is hereby given in accordance with § 9-16.14:7.1 of the Code of Virginia that the State Education Assistance Authority intends to adopt regulations entitled: **Regulations Governing the Virginia Guaranteed Student Loan Program and PLUS Loan Program.** These regulations establish policies governing the administration of the Federal Guaranteed Student Loan Program and PLUS Loan Program in the Commonwealth of Virginia.

Statutory Authority: § 23-38.64 of the Code of Virginia.

Written comments may be submitted until September 3, 1986.

Contact: Regina D. Williams, Director, Marketing/Communications, State Education Assistance Authority, Suite 300, 6 N. 6th St., Richmond, Va. 23219, telephone (804) 786-2035 (toll-free number 1-800-792-5626)

## GOVERNOR'S COMMISSION ON EFFICIENCY IN GOVERNMENT

July 24, 1986 - 10 a.m. - Open Meeting  
General Assembly Building, Speaker's Conference Room, 6th Floor, Capitol Square, Richmond, Virginia. ☒ (Interpreter for deaf provided if requested)  
September 17, 1986 - 10 a.m. - Open Meeting

October 15, 1986 - 10 a.m. - Open Meeting  
November 18, 1986 - 10 a.m. - Open Meeting  
December 17, 1986 - 10 a.m. - Public Hearing  
General Assembly Building, House Room D, Capitol Square, Richmond, Virginia. ☒

The Governor's Commission on Efficiency in Government has established its 1986 meeting schedule as follows:

7/24/86: Work session and discussion of recommendations and procedures.

9/17/86: Implementation of commission procedures and July meeting decisions.

10/15/86: Implementation of commission procedures and September meeting decisions.

11/18/86: Review results of work conducted in September and October; prepare recommendations.

12/17/86: Public hearing on recommendations to Governor and 1987 General Assembly; finalize recommendations.

Contact: Alan Albert OR Leonard Hopking, Office of the Governor, State Capitol, Richmond, Va. 23219, telephone (804) 786-2211

## VIRGINIA COUNCIL ON THE ENVIRONMENT

July 15, 1986 - 10 a.m. - Open Meeting  
State Capitol, House Room 1, Richmond, Virginia ☒

This is a quarterly meeting of the council. Topics to be discussed and considered by the council will include a state river policy and freshwater wetlands. The meeting is open to the public. Citizens will be given an opportunity to present comments to the council on issues discussed at the meeting and any other environmental issues.

Contact: Hannah Crew, Council on the Environment, Room 903, Ninth Street Office Bldg., Richmond, Va. 23219, telephone (804) 786-4500

## GOVERNOR'S COMMISSION ON EXCELLENCE IN EDUCATION

July 30, 1986 - 9 a.m. - Open Meeting  
July 31, 1986 - 9 a.m. - Open Meeting  
General Assembly Building, Senate Room B, 1st Floor, Capitol Square, Richmond, Virginia. ☒ (Interpreter for deaf provided if requested)

The commission will meet to consider recommendations which it has received from the public and professional groups concerning educational excellence.

Contact: Margaret N. Roberts, James Monroe Bldg., 25th

# Calendar of Events

Floor, 101 N. 14th St., Richmond, Va. 23219, telephone (804) 225-2540

Health and Mental Retardation, P.O. Box 1797, Richmond, Va. 23214, telephone (804) 786-3710

## COMMISSION OF GAME AND INLAND FISHERIES

† July 25, 1986 - 9:30 a.m. - Public Hearing  
Hyatt Richmond, 6624 West Broad Street, Richmond, Virginia. ☐

The commission will establish Migratory Game Bird Seasons for 1986-87 hunting season, as prescribed under the U.S. Fish & Wildlife Service Framework. The Commission will consider a change in the regulation pertaining to hunting deer with dogs in King George County, as requested by the County Board of Supervisors. General administrative matters will be considered also.

Contact: Norma G. Adams, Administration, Commission of Game and Inland Fisheries, 4010 W. Broad St., Richmond, Va. 23230, telephone (804) 257-1000

## DEPARTMENT OF GENERAL SERVICES

### Art and Architectural Review Board

July 11, 1986 - 10 a.m. - Open Meeting  
Virginia Museum of Fine Arts, Main Conference Room, Boulevard and Grove Avenue, Richmond, Virginia. ☐

The board will advise the Director of the Department of General Services and the Governor on architecture of state facilities to be constructed, and works of art to be accepted or acquired by the Commonwealth.

Contact: Dorothy E. Ivankoe, Department of General Services, Ninth Street Office Bldg., Room 209, Richmond, Va. 23219, telephone (804) 786-3311

## INTERAGENCY COORDINATING COUNCIL ON DELIVERY OF RELATED SERVICES TO HANDICAPPED CHILDREN

July 22, 1986 - 1:30 p.m. - Open Meeting  
Commission for the Visually Handicapped, 397 Azalea Avenue, Richmond, Virginia ☐

A regular monthly meeting of the 10 agency representatives that comprise the council. The council is designed to facilitate the timely delivery of appropriate services to handicapped children and youth in Virginia.

Contact: Dr. Michael M. Fehl, Department of Mental

## DEPARTMENT OF HEALTH

July 15, 1986 - 10 a.m. - Open Meeting  
Abingdon Council Chambers, 133 West Main Street, Abingdon, Virginia. ☐

July 16, 1986 - 10 a.m. - Open Meeting  
Roanoke Council Chambers, 215 Church Street S.W., Roanoke, Virginia. ☐

July 17, 1986 - 10 a.m. - Open Meeting  
Warrenton Council Chambers, Municipal Building, 18 Court Street, Warrenton, Virginia. ☐

July 18, 1986 - 10 a.m. - Open Meeting  
Williamsburg/James City Court House, 321-45 Court Street West, Williamsburg, Virginia. ☐

This joint meeting/workshop is being held by the State Water Control Board and the Department of Health in order to discuss with the public proposed amendments to the Commonwealth of Virginia Sewerage Regulations. The joint regulations originally became effective on February 1, 1977, and these amendments primarily reflect advances in technology including ultraviolet light irradiation, composting, and rotating biological contractors and significant revisions to sections on land application of sludge, land application of wastewater, aerated lagoons, disinfection, and sludge handling processes. Drafts of the regulations are available upon request. Comments may be also be submitted in writing through July 18, 1986.

Contact: Paul Farrell, Department of Health, Division of Water Programs, Madison Bldg., Room 927, 109 Governor St., Richmond, Va. 23219, telephone (804) 786-1758

## Bureau of Pharmacy Services

August 26, 1986 - 10 a.m. - Public Hearing  
James Madison Building, Main Floor Auditorium, 109 Governor Street, Richmond, Virginia. ☐

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Department of Health, Bureau of Pharmacy Services, intends to amend regulations entitled: Virginia Voluntary Formulary. This Formulary is a list of drugs of accepted therapeutic value, commonly prescribed and available from more than one source of supply.

Statutory Authority: §§ 32.1-12 and 32.1-79 et seq. of the Code of Virginia.

Written comments may be submitted until August 26, 1986.

Contact: James K. Thomson, Director, Bureau of Pharmacy Services, Department of Health, James Madison



# Calendar of Events

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Bldg., 109 Governor St., Richmond, Va. 23219, telephone (804) 786-4326

## COUNCIL ON HEALTH REGULATORY BOARDS

July 15, 1986 - 1:30 p.m. - Open Meeting  
Virginia Center for Health Affairs, 4200 Innslake Drive, Glen Allen, Virginia. ☒ (Interpreter for deaf provided if requested)

A regular quarterly meeting of the council (formerly Board) on Health Regulatory Boards. The agenda will include discussion and adoption of new committee structures and appointments of council members to standing and ad-hoc committees.

July 15, 1986 - 1:30 p.m. - Open Meeting  
Virginia Center for Health Affairs, 4200 Innslake Drive, Glen Allen, Virginia. ☒ (Interpreter for deaf provided if requested)

A regular quarterly meeting of the council (formerly board) on Health Regulatory Boards. The council will receive and review the report of the Bylaws Committee recommending: (i) a new committee structure to align council functions with revised authority and responsibilities assigned by actions of the 1986 Session of the General Assembly, and (ii) changes in council bylaws required to implement new responsibilities and authority.

Contact: Richard D. Morrison, Policy Analyst, Department of Health Regulatory Boards, P.O. Box 27708, Richmond, Va. 23261, telephone (804) 786-0822

## VIRGINIA HEALTH SERVICES COST REVIEW COUNCIL

July 23, 1986 - 9:30 a.m. - Open Meeting  
Virginia Hospital Association Headquarters, 4200 Innslake Drive, Glen Allen, 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, 9th Floor, 805 E. Broad St., Richmond, Va. 23219, telephone (804) 786-6371

## STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA

† August 6, 1986 - 9 a.m. - Open Meeting  
James Monroe Building, Conference Room, 9th Floor, 101 North 14th Street, Richmond, Va. ☒

Monthly council meeting. Agenda available on request.

Contact: Grace I. Lessner, James Monroe Bldg., 9th Floor, 101 N. 14th St., Richmond, Va. 23219, telephone (804) 225-2638

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† September 22, 1986 - 10 a.m. - Public Hearing  
James Monroe Building, 9th Floor Conference Room, 101 North 14th Street, Richmond, Virginia. ☒

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the State Council of Higher Education for Virginia intends to adopt regulations entitled: VR 380-01-01. Regulations for the Senior Citizen Higher Education Program. These regulations will stipulate the requirements under which senior citizens may take courses at Virginia's state-supported institutions of higher education without paying tuition or fees. The Senior Citizens Higher Education Act, as amended in 1984, provides that courses taken for credit are free if a senior citizen has a taxable income of less than \$7,500. Noncredit courses may be taken without charge regardless of income. Effective July 1, 1986, institutions may count these enrollments in their census of full-time equivalent students (FTES).

### STATEMENT

Subject: The enrollment of nontuition paying senior citizens at public institutions of higher education.

Substance: Senior citizens who meet income requirements may take, at no cost, courses for credit from public colleges and universities. All senior citizens, regardless of income, may take noncredit classes at no cost.

Issues: Institutions may count nontuition paying senior citizens who are enrolled in credit courses in the institution's full-time equivalent student (FTES) enrollment count. Nontuition paying senior citizens may be admitted to a course only after paying students are accommodated.

Basis: The proposed regulations have been developed pursuant to § 23-38.56 of the Code of Virginia

Purpose: To clarify procedures and guidelines under the Senior Citizens Higher Education Act, Chapter 4.5 (§ 23-38.54 et seq.) of Title 23 of the Code of Virginia for enrolling and counting nontuition paying senior citizens.

Impact: Institutions of higher education will be able to count nontuition paying senior citizens enrolled in courses for credit in the institution's full-time equivalent student (FTES) enrollment as of July 1, 1986. Prior to this, senior citizens participating in the Senior Citizens Higher Education Act could not be counted in the institution's FTES enrollment count. FTES are important for institutional budgeting purposes.

# Calendar of Events

Statutory Authority: §§ 23-9.6:1 and 23-38.56 of the Code of Virginia.

Written comments may be submitted until September 12, 1986.

Contact: Barry M. Dorsey, Associate Director, State Council of Higher Education for Virginia, 101 N. 14th St., Richmond, Va. 23219, telephone (804) 225-2632

## STATE HIGHWAY AND TRANSPORTATION BOARD

† July 17, 1986 - 10 a.m. - Open Meeting

† August 21, 1986 - 10 a.m. - Open Meeting

Department of Highways and Transportation, Annex Building, Board Room, 1401 East Broad Street, Richmond, Virginia. ☐ Interpreter for deaf provided if requested.

Monthly meeting of the State Highway and Transportation Board 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., Department of Highways and Transportation, 1401 E. Broad St., Richmond, Va. 23219, telephone (804) 786-0950

## VIRGINIA HOUSING DEVELOPMENT AUTHORITY

### Board of Commissioners

† July 15, 1986 - 10 a.m. - Open Meeting  
13 South 13th Street, Richmond, Virginia. ☐

An annual meeting of the Board of Commissioners of the Virginia Housing Development Authority to review and, if appropriate, (i) 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) hold elections for chairman and vice-chairman of the Board of Commissioners; and (v) consider such other matters and take such other action 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

## VIRGINIA STATE LIBRARY BOARD

July 30, 1986 - 11 a.m. - Open Meeting  
State Librarian's Office, Virginia State Library, 11th Street at Capitol Square, Richmond, Virginia. ☐

A regular meeting to discuss administrative matters.

Contact: Jean Reynolds, Virginia State Library, 11th St. at Capitol Square, Richmond, Va. 23219, telephone (804) 786-2332

## COMMISSION ON LOCAL GOVERNMENT

July 21, 1986 - 10:30 a.m. - Open Meeting  
General District Courtroom, Ground Floor, Richmond County Office Building, Warsaw, Virginia

Oral presentation regarding the Town of Warsaw - Richmond County Agreement Defining Annexation Rights.

July 21, 1986 - 3 p.m. - Open Meeting  
Town of Warsaw (site to be determined)

A regular bimonthly meeting of the Commission on Local Government to consider such matters as may be presented.

July 21, 1986 - 7:30 p.m. - Public Hearing  
General District Courtroom, Ground Floor, Richmond County Office Building, Warsaw, Virginia

Public hearing regarding the Town of Warsaw Richmond County Agreement Defining Annexation Rights.

Contact: Barbara Bingham, Room 901, Ninth Street Office Building, Richmond, Va. 23219, telephone (804) 786-6508

## VIRGINIA'S LONG-TERM CARE COUNCIL

July 24, 1986 - 9:30 a.m. - Open Meeting  
James Monroe Building, Conference Room E, 101 North 14th Street, Richmond, Virginia. ☐ (Interpreter for the deaf provided if requested)

A meeting to discuss issues relevant to the development and provision of long-term care services in the Commonwealth. The council will also hear a report on the development of a statewide uniform intake, assessment, and tracking mechanism for use by all publicly-funded human services agencies.

Contact: Catherine Saunders, Staff, Virginia Department for the Aging, 18th Floor, 101 N. 14th St., Richmond, Va. 23219-2797, telephone (804) 225-2271/2912

# Calendar of Events

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## VIRGINIA STATE BOARD OF MEDICINE

July 17, 1986 - 8:30 a.m. - Open Meeting  
July 18, 1986 - 8:30 a.m. - Open Meeting  
July 19, 1986 - 8:30 a.m. - Open Meeting  
Hotel Roanoke, Roanoke, Virginia. ☐

The board will meet to review reports, interview licensees and make decisions on discipline matters before the board on Thursday, Friday and Saturday morning. At 1:30 p.m., Saturday, July 18th, the full board will meet in open session to conduct general board business. The following committees may convene at the request of the board; Legislative, Credentials, Physicians Assistants, and Finance Committee.

### Informal Conference Committee

† July 24, 1986 - 8:30 a.m. - Open Meeting  
Department of Health Regulatory Boards, 517 West Grace Street, Richmond, Virginia

† July 25, 1986 - 9 a.m. - Open Meeting  
Arlington Hospital, John T. Hazel, M.D. Conference Center, 1701 North George Mason Drive, Arlington, Virginia. ☐

An Informal Conference Committee, composed of three members of the Virginia Board of Medicine, 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 § 2.1-344 of the Code of Virginia pertaining to executive or closed meetings.

### Advisory Board on Physical Therapy

July 18, 1986 - 10 a.m. - Open Meeting  
July 20, 1986 - 9 a.m. - Open Meeting  
Hotel Roanoke, Roanoke, Virginia. ☐

The Advisory Board on Physical Therapy will meet to conduct general board business and respond to correspondence. The Advisory Board may reconvene on Sunday to respond to inquiries and requests made by the full board on Saturday.

Contact: Eugenia K. Dorson, Executive Secretary, 517 W. Grace St., P.O. Box 27708, Richmond, Va. 23261, telephone (804) 786-0575

## DEPARTMENT OF MENTAL HEALTH AND MENTAL RETARDATION

### State Human Rights Committee

† July 23, 1986 - 9 a.m. - Open Meeting  
University of Virginia School of Law, Caplin Auditorium, Charlottesville, Virginia

Regular meeting of the State Human Rights Committee to discuss business relating to human rights issues. Agenda items will be listed prior to meeting.

Contact: Elsie D. Little, ACSW, P.O. Box 1797, Richmond, Va. 23214, telephone (804) 786-3988

## STATE MILK COMMISSION

† July 16, 1986 - 10 a.m. - Open Meeting  
Ninth Street Office Building, Room 1015, 9th and Grace Streets, Richmond, Virginia. ☐

Routine monthly meeting.

Contact: C. H. Coleman, Administrator, Room 1015, Ninth Street Office Bldg., Richmond, Va. 23219, telephone (804) 786-2013

## NORFOLK STATE UNIVERSITY

### Board of Visitors

† July 8, 1986 - 9 a.m. - Open Meeting  
Harrison B. Wilson Administration Building, Board Room, Norfolk State University, Norfolk, Virginia. ☐

A meeting 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

## STATE BOARD OF NURSING

† July 28, 1986 - 9 a.m. - Open Meeting  
† July 29, 1986 - 9 a.m. - Open Meeting  
† July 30, 1986 - 9 a.m. - Open Meeting  
Department of Health Regulatory Boards, 517 West Grace Street, Richmond, Virginia

Regular meeting of the Virginia State Board of

## Calendar of Events

Nursing to consider matters related to nursing education programs, discipline of licensees, licensing by examination, and endorsement and other matters under jurisdiction of the board.

**Contact:** Corinne F. Dorsey, R.N., Executive Director, 517 W. Grace St., Richmond, Va. 23220, telephone (804) 786-0377

### STATE BOARD OF EXAMINERS FOR NURSING HOME ADMINISTRATORS

† July 31, 1986 - 10 a.m. - Open Meeting  
† August 1, 1986 - 10 a.m. - Open Meeting  
Municipal Building, Council Chambers, 55 West Church Street, Martinsville, Virginia

The board will meet to conduct a formal administrative hearing: Virginia Board for Nursing Home Administrators v. Nancy L. Ritter.

**Contact:** Sylvia W. Bryant, Hearings Coordinator, Department of Commerce, 3600 W. Board St., Richmond, Va. 23230, telephone (804) 257-8524

### VIRGINIA STATE BOARD OF OPTICIANS

**August 12, 1986 - 9:30 a.m. - Public Hearing**  
Department of Commerce, Travelers Building, Conference Room 1, 5th Floor, 3600 West Broad Street, Richmond, Virginia. ☒

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia, that the Virginia State Board of Opticians intends to amend regulations entitled: **Rules and Regulations of the Board of Opticians.** The proposed amendment will decrease the license renewal fee from \$80 to \$65.

Statutory Authority: § 54-1.28(5) of the Code of Virginia.

Written comments may be submitted until August 8, 1986.

**Contact:** Olliver O. Trumbo, II, Assistant Director, Department of Commerce, 3600 W. Broad St., Richmond, Va. 23230, telephone (804) 257-8509

### VIRGINIA BOARD OF OPTOMETRY

**July 16, 1986 - 8 a.m. - Open Meeting**  
R. Blackwell Smith Pharmacy Building, 410 North 12th Street, Richmond, Virginia. ☒

The board will administer the State Practical Examination.

**July 17, 1986 - 9 a.m. - Open Meeting**  
Department of Health Regulatory Boards, Board Room, 517 West Grace Street, Richmond, Virginia

A general business meeting.

† **August 20, 1986 - 8:30 a.m. - Open Meeting**  
Department of Health Regulatory Boards, Board Room, 517 West Grace Street, Richmond, Virginia.

General business of the Virginia Board of Optometry.

**Contact:** Moria C. Lux, Executive Director, Virginia Board of Optometry, P.O. Box 27708, Richmond, Va. 23261, telephone (804) 786-0131

### VIRGINIA PEANUT BOARD

† **July 10, 1986 - 1:15 p.m. - Open Meeting**  
Virginia Polytechnic Institute and State University, 116 Hutcheson Hall, Blacksburg, Virginia.

A meeting to (i) discuss with V.P.I. & S.U. research and extension personnel cooperation and projects between board and V.P.I.; (ii) review one promotional proposal; and (iii) tour of soil analysis facilities at V.P.I. & S.U.

**Contact:** R. C. Schools, P.O. Box 149, Capron, Va. 23829, telephone (804) 658-4573

### VIRGINIA BOARD OF PSYCHOLOGY

† **July 24, 1986 - 2 p.m. - Open Meeting**  
John Marshall Hotel, 5th and Franklin Streets, Richmond, Virginia. ☒

To conduct board business; review applications; respond to correspondence; and regulatory review.

**Contact:** John W. Braymer, Executive Director, 517 W. Grace Street, Richmond, Va. 23220, telephone (804) 786-3434

### VIRGINIA REAL ESTATE BOARD

† **July 22, 1986 - 1 p.m. - Open Meeting**  
Department of Commerce, Travelers Building, Conference Room 1, 5th Floor, 3600 West Broad Street, Richmond, Virginia. ☒

Virginia Real Estate Board organizational meeting - the board's annual business meeting.

# Calendar of Events

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† July 23, 1986 - 9 a.m. - Open Meeting

Department of Commerce, Travelers Building, Conference Room 1, 5th Floor, 3600 West Broad Street, Richmond, Virginia. ☒

Regular business meeting of the board. Agenda will consist of (i) investigative cases (files) to be considered; (ii) files to be reconsidered; (iii) matters relating to fair housing; and (iv) property registration and licensing issues (e.g. reinstatement eligibility requests).

Contact: Florence R. Brassier, Assistant Director for Real Estate, Department of Commerce, 3600 W. Broad St., Richmond, Va. 23230, telephone (804) 257-8552

## BOARD OF REHABILITATIVE SERVICES

July 25, 1986 - 10 a.m. - Open Meeting

Department of Rehabilitative Services, 4901 Fitzhugh Avenue, Richmond, Virginia. ☒

The board will hold a regular meeting to conduct the business of the department.

### Evaluation Committee

July 18, 1986 - 1 p.m. - Open Meeting

Department of Rehabilitative Services, 4901 Fitzhugh Avenue, Richmond, Virginia ☒

A meeting to discuss policy and procedures.

### Finance Committee

July 24, 1986 - 1 p.m. - Open Meeting

Department of Rehabilitative Services, 4901 Fitzhugh Avenue, Richmond, Virginia ☒

A meeting to discuss budgetary matters.

### Program Committee

July 24, 1986 - 1 p.m. - Open Meeting

Department of Rehabilitative Services, 4901 Fitzhugh Avenue, Richmond, Virginia ☒

A meeting to review, discuss and, when appropriate, recommend to the board necessary policies governing the vocational rehabilitation and independent living rehabilitation programs and services administered and coordinated by the Department of Rehabilitative Services.

Contact: Jim Hunter, 4901 Fitzhugh Ave., Richmond, Va. 23220, telephone (804) 257-6446 (toll-free number 1-800-522-5019)

## BOARD OF RIGHTS OF THE DISABLED

† July 23, 1986 - 10 a.m. - Open Meeting

James Monroe Building, Conference Room D, 101 North 14th Street, Richmond, Virginia. ☒ Interpreter for deaf provided if requested.

The quarterly meeting of the Board of Rights of the Disabled will be held to receive reports from the Housing, Education, Employment, Transportation and Intergovernmental Relations committees. Time will be allowed for discussion of any issue that relates to the mission of this board.

Contact: James A. Rothrock, Board Administrator, James Monroe Bldg., 17th Floor, 101 N. 14th St., Richmond, Va. 23219, telephone (804) 225-2042 (Voice and TTY)

## STATE SEWAGE HANDLING AND DISPOSAL APPEALS REVIEW BOARD

July 16, 1986 - 9 a.m. - Open Meeting

General Assembly Building, Senate Room A, Capitol Square, Richmond, Virginia ☒

A meeting to hear and render a decision on all appeals of denials of on-site sewage disposal system permits.

Contact: P. M. Brooks, 502 Madison Bldg., Richmond, Va. 23219, telephone (804) 786-1750

## VIRGINIA SMALL BUSINESS FINANCING AUTHORITY

August 14, 1986 - 9 a.m. - Open Meeting

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. Prior to the public hearing, which starts at 10 a.m., the authority will conduct its regular business meeting.

Contact: Nic Walker, Executive Director, Virginia Small Business Financing Authority, 1000 Washington Bldg., Richmond, Va. 23219, telephone (804) 786-3791

BOARD OF SOCIAL SERVICES

July 16, 1986 - (Time to be announced) - Open Meeting
July 17, 1986 - (Time to be announced) - Open Meeting
Department of Social Services, Blair Building, 8007
Discovery Drive, Richmond, Virginia. ☐

A work session and business meeting.

Contact: Phyllis Sisk, 8007 Discovery Dr., Richmond, Va.
23229-8699, telephone (804) 281-9236

DEPARTMENT OF SOCIAL SERVICES

Division of Benefit Programs

July 12, 1986 - 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 Social
Services intends to amend regulations entitled: VR
615-01-9. Definition of a Home in the Aid to
Dependent Children (ADC) Program. The purpose of
the regulation is to expand the disregard of the home
as a resource to include property contiguous to the
house and lot provided the value of the land does not
exceed \$5,000.

Statutory Authority: § 63.1-25 of the Code of Virginia.

Written comments may be submitted until July 12, 1986, to
I. Guy Lusk, Director, Division of Benefit Programs,
Department of Social Services, 8007 Discovery Drive,
Richmond, Virginia 23229-8699

Contact: Carolyn Ellis, Supervisor, Economic Assistance
Unit, Department of Social Services, 8007 Discovery Dr.,
Richmond, Va. 23229-8699, telephone (804) 281-9046

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July 14, 1986 - 9:30 a.m. - Public Hearing
Blair Building, Conference Room A, 8007 Discovery Drive,
Richmond, Virginia. ☐

Notice is hereby given in accordance with § 9-6.14:7.1
of the Code of Virginia that the Department of Social
Services intends to amend regulations entitled: VR
615-00-1. Virginia Fuel Assistance Program. Increase
the age limit in the voluntary quit eligibility criteria;
change the five geographic regions to six climate
zones; add an eligibility criteria in ECAP and change
one of the mandated type of assistance to optional one
and lower the administrative cost reimbursement
ceiling.

Statutory Authority: § 63.1-25 of the Code of Virginia.

Written comments may be submitted until July 11, 1986.

Contact: Charlene Chapman, Supervisor, Energy and
Emergency Assistance, Division of Benefit Programs, 8007
Discovery Dr., Richmond, Va. 23229-8699, telephone (804)
281-9046 (toll-free number 1-800-552-7091)

\*\*\*\*\*

August 8, 1986 - 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 Social
Services intends to amend regulations entitled: VR
615-01-10. Job Training Partnership Act (JTPA), Title
II, Part A Income Disregard in the Aid to
Dependent Children (ADC) Program. This proposed
amendment will disregard children's earnings derived
through participation in JTPA, Title II, Part A for six
calendar months per year and children's unearned
income derived through participation in JTPA, Title II,
Part A indefinitely.

Statutory Authority: § 63.1-25 of the Code of Virginia.

Written comments may be submitted until August 8, 1986,
to I. Guy Lusk, Director, Division of Benefit Programs,
Department of Social Services, 8007 Discovery Drive,
Richmond, Virginia 23229-8699.

Contact: Carolyn Ellis, Supervisor, Economic Assistance
Unit, Division of Benefit Programs, 8007 Discovery Dr.,
Richmond, Va. 23229-8699, telephone (804) 281-9046

Division of Child Support Enforcement

July 26, 1986 - 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 Social
Services, Division of Child Support Enforcement,
intends to amend regulations entitled: VR 615-70-1.
State Income Tax Intercept for Child Support. The
proposed regulation allows the Department of Social
Services to intercept state income tax refunds for
payment of certain debts.

Statutory Authority: § 63.1-25 of the Code of Virginia, and
45 CFR 303.102 of the Code of Federal Regulations
effective October 1, 1985.

Written comments may be submitted until July 26, 1986, to
Jean White, Director, Division of Child Support
Enforcement, Department of Social Services, 8007
Discovery Drive, Richmond, Virginia 23288

Contact: Jane Clements, Chief, Bureau of Program
Operations, Division of Child Support Enforcement,

# Calendar of Events

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Department of Social Services, 8007 Discovery Dr.,  
Richmond, Va. 23288, telephone (804) 281-9074

\* \* \* \* \*

**July 26, 1986** - 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 Social Services, Division of Child Support Enforcement, intends to adopt regulations entitled: VR 615-70-2. **Application Fee Scale.** The proposed regulations provide a sliding scale for application fees for child support enforcement services.

Statutory Authority: § 63.1-250.2 of the Code of Virginia and 45 CFR 302.33 of the Code of Federal Regulations.

Written comments may be submitted until July 26, 1986 to Jean White, Director, Division of Child Support Enforcement, Department of Social Services, 8007 Discovery Drive, Richmond, Virginia 23288.

Contact: Jane Clements, Chief, Bureau of Program Operations, Division of Child Support Enforcement, Department of Social Services, 8007 Discovery Dr., Richmond, Va. 23288, telephone (804) 281-9074

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**July 26, 1986** - 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 Social Services, Division of Child Support Enforcement intends to adopt regulations entitled: VR 615-70-3. **Separate Fee Charged for Child Support Enforcement Services.** The proposed regulation defines what separate charges will be recovered for costs incurred above the application fee for child support enforcement services.

Statutory Authority: § 63.1-250 of the Code of Virginia.

Written comments may be submitted until July 26, 1986, to Jean White, Director, Division of Child Support Enforcement, Department of Social Services, 8007 Discovery Drive, Richmond, Virginia 23288.

Contact: Jane Clements, Chief, Bureau of Program Operations, Division of Child Support Enforcement, Department of Social Services, 8007 Discovery Dr., Richmond, Va. 23288, telephone (804) 281-9074

## DEPARTMENT OF TAXATION

**July 8, 1986 - 10 a.m. - Public Hearing**  
General Assembly Building, House Room C, Capitol Square,  
Richmond, Virginia. ☐

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Department of Taxation intends to amend the regulation entitled: VR 630-2-322. **Virginia Taxable Income (Individual Income Tax Regulation).** This regulation sets forth the method for computing the Virginia taxable income of individuals, including the various additions, subtractions, deductions, and modifications provided by law.

Statutory Authority: § 58.1-203 of the Code of Virginia.

Written comments may be submitted until July 8, 1986.

Contact: Danny M. Payne, Director, Tax Policy Division, P.O. Box 6-L, Richmond, Va. 23282, telephone (804) 257-8010

\* \* \* \* \*

**July 8, 1986 - 10 a.m. - Public Hearing**  
General Assembly Building, House Room C, Capitol Square,  
Richmond, Virginia. ☐

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Department of Taxation intends to amend the regulation entitled: VR 630-3-402. **Virginia Taxable Income (Corporation Income Tax Regulation).** This regulation sets forth the method for computing the Virginia taxable income of corporations, including the various additions, subtractions, deductions, and modifications provided by law.

Statutory Authority: § 58.1-203 of the Code of Virginia.

Written comments may be submitted until July 8, 1986.

Contact: Danny M. Payne, Director, Tax Policy Division, P.O. Box 6-L, Richmond, Va. 23282, telephone (804) 257-8010

\* \* \* \* \*

**July 8, 1986 - 10 a.m. - Public Hearing**  
General Assembly Building, House Room C, Capitol Square,  
Richmond, Virginia. ☐

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Department of Taxation intends to adopt the regulation entitled: VR 630-10-24.4. **Common Carriers of Property or Passengers by Railway (Retail Sales and Use Tax Regulation).** This regulation sets forth the application of the sales and use tax to tangible personal property

# Calendar of Events

used or consumed by common carriers of property or passengers by railway.

Statutory Authority: § 58.1-203 of the Code of Virginia.

Written comments may be submitted until July 8, 1986.

Contact: Danny M. Payne, Director, Tax Policy Division, P.O. Box 6-L, Richmond, Va. 23282, telephone (804) 257-8010

\* \* \* \* \*

July 8, 1986 - 10 a.m. - Public Hearing  
General Assembly Building, House Room C, Capitol Square, Richmond, Virginia. ☐

Notice is hereby given in accordance with § 19-6.14:7.1 of the Code of Virginia that the Department of Taxation intends to amend the regulation entitled: VR 630-10-3. Advertising (Retail Sales and Use Tax Regulation). This regulation sets forth the application of the sales and use tax to charges for the provision of concept, writing, graphic design, mechanical art, photography, and production supervision in the planning, creating, or placing or advertising in the media.

Statutory Authority: § 58.1-203 of the Code of Virginia.

Written comments may be submitted until July 3, 1986.

Contact: Danny M. Payne, Director, Tax Policy Division, P.O. Box 6-L, Richmond, Va. 23282, telephone (804) 257-8010

## THE GOVERNOR'S COMMISSION ON TRANSPORTATION IN THE TWENTY-FIRST CENTURY

July 7, 1986 - 10 a.m. - Open Meeting  
General Assembly Building, House Room D, Capitol Square, Richmond, Virginia. ☐

COMMISSION MEETING No. 7  
Development of recommendations for funding transportation needs

July 21, 1986 - 10 a.m. - Open Meeting  
General Assembly Building, House Room D, Capitol Square, Richmond, Virginia. ☐

COMMISSION MEETING No. 8  
Review of final report

Contact: Jewel A. Paige, Administrative Assistant, 10th Floor, Ninth Street Office Bldg., Richmond, Va. 23219, telephone (804) 786-2405

## VIRGINIA BOARD FOR THE VISUALLY HANDICAPPED

July 16, 1986 - 11 a.m. - Open Meeting  
Administration Headquarters, 397 Azalea Avenue, Richmond, Virginia. ☐ (Interpreter for deaf provided if requested)

The board meets quarterly to review policy and procedures of the Virginia Department for the Visually Handicapped. The board reviews and approves the department's budget, executive agreement, and operating plan.

Contact: Diane E. Allen, Acting Confidential Secretary, 397 Azalea Ave., Richmond, Va. 23227, telephone (804) 264-3145

## STATE WATER CONTROL BOARD

July 15, 1986 - 10 a.m. - Open Meeting  
Abingdon Council Chamber, 133 West Main Street, Abingdon, Virginia. ☐

July 16, 1986 - 10 a.m. - Open Meeting  
Roanoke Council Chambers, 215 Church Street S.W., Roanoke, Virginia. ☐

July 17, 1986 - 10 a.m. - Open Meeting  
Warrenton Council Chambers, Municipal Building, 18 Court Street, Warrenton, Virginia. ☐

July 18, 1986 - 10 a.m. - Open Meeting  
Williamsburg/James City Courthouse, 321-45 Court Street, Williamsburg, Virginia. ☐

This joint meeting/workshop is being held by the State Water Control Board and the Department of Health in order to discuss with the public proposed amendments to the Commonwealth of Virginia Sewerage Regulations. The joint regulations originally became effective on February 1, 1977, and these amendments primarily reflect advances in technology since that time. Major changes involve the addition of regulations for newer technologies including ultraviolet light irradiation, composting, and rotating biological contractors and significant revisions to sections on land application of sludge, land application of wastewater, aerated lagoons, disinfections, and sludge handling processes. Drafts of the regulations are available upon request. Comments may also be submitted in writing through July 18, 1986.

Contact: Charley Banks, State Water Control Board, 2111 N. Hamilton St., Richmond, Va. 23230-1143, telephone (804) 257-6351

August 11, 1986 - 7 p.m. - Open Meeting  
Prince William County Complex, McCourt Building Board Room, 4850 Davis Fork Road, Woodbridge, Virginia

August 18, 1986 - 7 p.m. - Open Meeting  
Roanoke City Council Chambers, 215 Church Avenue, Roanoke, Virginia. ☐



# Calendar of Events

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**August 20, 1986 - 7 p.m. - Open Meeting**  
Williamsburg/James City Courthouse, Council Chambers,  
321-45 Court Street, Williamsburg, Virginia. ☒

The Water Quality Standards, as required by state and federal law, are reviewed every three years. As part of the review that is now underway, a series of public meetings will be held around the Commonwealth. The purpose of these meetings is to receive comments and suggestions on our standards program. These comments will be used in proposing specific changes in standards that will be considered at hearings in early 1987.

**Contact:** Stuart Wilson, Water Resources Ecologist, State Water Control Board, P.O. Box 11143, Richmond, Va. 23230, telephone (804) 257-0387

\* \* \* \* \*

**August 11, 1986 - 7 p.m. - Public Hearing**  
Prince William County Complex, 4850 Davis Ford Road,  
Woodbridge, Virginia

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the State Water Control Board intends to amend regulations entitled: **Water Quality Standards, Section 4 - Basin and Section Description Tables, Potomac River Subbasin, Section 5. Quantico Bight** would be excluded from Section 5 and established as a new section 5C, Class II waters, with no special standards.

**Statutory Authority:** § 62.1-44.15(3a) of the Code of Virginia.

Written comments may be submitted until August 21, 1986.

**Contact:** Stuart Wilson, Water Resources Ecologist, State Water Control Board, P.O. Box 11143, Richmond, Va. 23230, telephone (804) 257-0387

\* \* \* \* \*

† **September 11, 1986 - 7 p.m. - Public Hearing**  
Henry County Administration Building, Board Meeting Room, Kings Mountain Road, Collinsville, Virginia.

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the State Water Control Board intends to amend regulations entitled: **VR 660-16-02. Roanoke River Basin Water Quality Management Plan.** This will be a revision of poundage limits on the Upper and Lower Segments of the Smith River so as to allow for construction of the proposed sewage treatment plant being proposed by the Henry County Public Service Authority.

## STATEMENT

**Subject:** A proposed amendment to the Roanoke River 303(e) Water Quality Management Plan (1976).

**Substance:** Lowers the allowable five day Biological Oxygen Demand (BOD5) loading in the Upper Smith River Segment. Allows the construction of a new four million gallon per day waste treatment facility and increases the allowable BOD5 loading in the Lower Smith River Segment with an instream water quality monitoring program.

**Issues:** To maintain or enhance water quality in the upper and lower segments of the Smith River.

**Basis:** The Water Quality Management Plans set forth those measures to be taken by the State Water Control Board for reaching and maintaining applicable water quality goals both in general terms and numeric loadings for BOD5 for identified stream segments. These statements and loadings describe the water quality necessary to attain these goals.

**Purpose:** To establish new BOD5 loading requirements for both the upper and lower segments of the Smith River.

**Impact:** The amendment would allow the reduction of the allowable BOD5 loading in the Upper Smith River Segment from 1,637 pounds per day of BOD5 to 1,070, thus reducing the allocated loading of the Henry County PSA Upper Smith River STP from 1,134 pounds of BOD5 to 567 with a design flow of four million gallons per day. The amendment would increase the loading of the Lower Smith River Segment from 1,500 pounds of BOD5 per day to 2,067, an allocated increase of 567 pounds of BOD5 per day to a newly constructed waste treatment facility owned by the Henry County Public Service Authority near the mouth of Marrowbone Creek; and require an instream water quality monitoring program. This would allow the construction of a new four million gallon per day waste treatment facility at a local cost of approximately \$3.5 to \$5.0 million. No additional cost should be incurred by the reduction BOD5 loading in the upper segment. No other dischargers to either of the segments are affected by this.

**Statutory Authority:** § 62.1-44.15 of the Code of Virginia.

Written comments may be submitted until September 18, 1986.

**Contact:** Doneva Dalton, Court Reporter, State Water Control Board, P.O. Box 11143, Richmond, Va. 23230, telephone (804) 257-6829

## COLLEGE OF WILLIAM AND MARY

### Board of Visitors

**August 22, 1986 - 8 a.m. - Open Meeting**  
Richard Bland College, Student Center, Petersburg, Virginia

A meeting of the Board of Visitors of the College of William and Mary called by the Rector of the college to review contracts, budget considerations, and any other matters presented by the administrations of William and Mary and Richard Bland College. An informational release will be available four days prior to the board meeting for those individuals or organizations who request it.

**Contact:** Office of University Relations, James Blair Hall, Room 308, College of William and Mary, Williamsburg, Va. 23185, telephone (804) 253-4226

## LEGISLATIVE

### JOINT SUBCOMMITTEE STUDYING BLOCK GRANTS

**July 29, 1986 - 10 a.m. - Public Hearing**  
General Assembly Building, House Room D, Capitol Square, Richmond, Virginia. ☐

A public hearing on federal block grants in the areas of (i) preventive health and health services; (ii) alcohol, drug abuse and mental health; and (iii) community services.

**Contact:** Normal Szakal, Staff Attorney, Division of Legislative Services, P.O. Box 3-AG, Richmond, Va. 23208, telephone (804) 786-3591 OR Jayne Thomas, Grant Director, Department of Social Services, 8007 Discovery Dr., Richmond, Va. 23288, telephone (804), 281-9217

### JOINT SUBCOMMITTEE STUDYING THE SCREENING OF CHILD-CARE PERSONNEL

**† July 31, 1986 - 10 a.m. - Open Meeting**  
General Assembly Building, House Room C, Capitol Square, Richmond, Virginia. ☐

The subcommittee will continue examination of the issues related to screening child-care personnel for criminal records.

**Contact:** Susan Ward, Staff Attorney, Division of Legislative Services, 2nd Floor, Richmond, Va. 23219, telephone (804) 786-3591

### JOINT SUBCOMMITTEE STUDYING ELECTION LAWS

**† August 12, 1986, - 10 a.m. - Public Hearing**  
General Assembly Building, Senate Room A, Capitol Square, Richmond, Virginia. ☐

The subcommittee will consider matters carried over from its 1985 study (involving nomination and primary process), carry-over bills involving election laws and various other election law changes. (SJR 26)

Additional information may be obtained from: Robert F. Douth, Deputy Clerk, Senate of Virginia, P.O. Box 396, Richmond, Virginia 23203, telephone (804) 786-4638.

**Contact:** Those persons wishing to speak should contact: Dr. Jack Austin, Research Associate, Division of Legislative Services, P.O. Box 3-AG, Richmond, Va. 23208, telephone (804) 786-3591

### JOINT SUBCOMMITTEE STUDYING THE FEASIBILITY OF A STATE MAPPING COORDINATOR

**† July 16, 1986 - 10 a.m. - Public Hearing**  
General Assembly Building, Senate Room A, Capitol Square, Richmond, Virginia. ☐

The subcommittee will hear from various state agencies on their use of land information and the use of such information by local governments; the need for a state coordinator for land information and the technical assistance that may be available in the state's institutions of higher learning. (SJR 80)

Additional information may be obtained from: Robert F. Douth, Deputy Clerk, Senate of Virginia, P.O. Box 396, Richmond, Virginia 23203, telephone (804) 786-4638

**Contact:** Dr. Jack Austin, Research Associate, Division of Legislative Services, P.O. Box 3-AG, Richmond, Va. 23208, telephone (804) 786-3591

### JOINT SUBCOMMITTEE REVIEWING SAVINGS AND LOAN LAWS AND INTEREST RATE LAWS OF THE COMMONWEALTH AND INTERSTATE BANKING

#### NOTE: MEETING DATE AND ROOM CHANGED

**July 15, 1986 - 10 a.m. - Open Meeting**  
General Assembly Building, House Room C, Capitol Square, Richmond, Virginia. ☐

# Calendar of Events

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Meeting previously scheduled for June 17, 1986, for update of law changes and credit card interest rates changed.

Contact: C. William Cramme', III, Staff Attorney, Division of Legislative Services General Assembly Bldg., 2nd Floor, Richmond, Va. 23219, telephone (804) 786-3591

## CHRONOLOGICAL LIST

### OPEN MEETINGS

#### July 7

Transportation in the Twenty-First Century, The Governor's Commission on

#### July 8

† Norfolk State University, Board of Visitors

#### July 9

† Air Pollution Control Board, State  
Conservation and Historic Resources, Department of  
- Virginia Soil and Water Conservation Board

#### July 10

Agriculture and Consumer Services, Department of  
- Winegrowers Advisory Board, Virginia  
† Commerce, Board of  
† Contractors, State Board for  
† Peanut Board, Virginia

#### July 11

† Chesapeake Bay Commission  
† Children's Facilities, Interdepartmental  
Council on Rate-Setting for  
Childrens Residential Facilities, Interdepartmental  
Licensure and Certification of  
- Coordinating Committee  
General Services, Department of  
- Art and Architectural Review Board

#### July 15

Alcoholic Beverages Control, Department of  
† Conservation and Historic Resources, Department of  
- Virginia Historic Landmarks Board and  
- Division of Historic Landmarks State  
Review Board  
Environment, Virginia Council on the  
Health, Department of  
Health Regulatory Boards, Council on  
† Housing Development Authority, Virginia  
- Board of Commissioners  
Savings and Loan Laws and Interest Rate Laws  
of the Commonwealth and Interstate Banking, Joint  
Subcommittee Reviewing

Water Control Board, State

#### July 16

† Community Colleges, State Board for  
Corrections, Board of  
Health, Department of  
† Milk Commission, State  
Optometry, Virginia Board of  
Sewage Handling and Disposal Appeals Review  
Board, State  
Social Services, Board of  
Visually Handicapped, Board for the  
Water Control Board, State

#### July 17

Aging, Governors Advisory Board on  
† Community Colleges, State Board for  
Health, Department of  
† Highway and Transportation Board, State  
Medicine, Virginia State Board of  
Optometry, Virginia Board of  
Social Services, Board of  
Water Control Board, State

#### July 18

† Building Code Technical Review Board, State  
† Conservation and Historic Resources  
- Falls of the James Advisory Board  
Health, Department of  
Medicine, Virginia State Board of  
- Advisory Board on Physical Therapy  
Rehabilitative Services, Board of  
- Evaluation Committee  
Water Control Board, State

#### July 19

Medicine, Virginia State Board of

#### July 20

Medicine, Virginia State Board of  
- Advisory Board on Physical Therapy

#### July 21

† Accountancy, State Board of  
Local Government, Commission on  
Transportation in the Twenty-First Century, The  
Governor's Commission on

#### July 22

† Accountancy, State Board of  
Handicapped Children, Related Services to;  
Interagency Coordinating Council on Delivery of  
† Real Estate Board, Virginia

#### July 23

Health Services Cost Review Council, Virginia  
† Mental Health and Mental Retardation,  
Department of  
- State Human Rights Committee  
† Real Estate Board, Virginia  
† Rights of the Disabled, Board of

# Calendar of Events

## July 24

- † Contractors, State Board for Efficiency in Government, Governor's Commission on Long-Term Care Council, Virginia
- † Medicine, Virginia State Board of Medicine
  - Informal Conference Committee
- † Psychology, Virginia Board of Rehabilitative Services, Board of
  - Finance Committee
  - Program Committee

## July 25

- † Medicine, Virginia State Board of Medicine
  - Informal Conference Committee
- Rehabilitative Services, Board of

## July 28

- † Nursing, State Board of

## July 29

- Alcoholic Beverage Control, Department of
- † Nursing, State Board of

## July 30

- Architects, Professional Engineers, Land Surveyors and Certified Landscape Architects, State Board of
  - Board of Professional Engineers
- Dentistry, Virginia Board of
- Excellence in Education, Governor's Commission on
- Library Board, Virginia State
- † Nursing, State Board of

## July 31

- † Child-Care Personnel, Joint Subcommittee Studying the Screening of
- Dentistry, Virginia Board of
- Education, State Board of
- Excellence in Education, Governor's Commission on
- † Nursing Home Administrators, State Board of Examiners for ★BII,02,60, ★ August 1
- † Architects, Professional Engineers, Land Surveyors and Certified Landscape Architects, State Board of
  - Board of Land Surveyors
- Education, State Board of
- † Nursing Home Administrators, State Board of Examiners for

## August 6

- † Higher Education for Virginia, State Council of

## August 11

- Water Control Board, State

## August 13

- Corrections, Board of

## August 14

- Small Business Financing Authority, Virginia

## August 18

- Water Control Board, State

## August 20

- † Optometry, Virginia Board of
- Water Control Board, State

## August 21

- † Highway and Transportation Board, State

## August 22

- College of William and Mary, Board of Visitors

## August 26

- † Architects, Professional Engineers, Land Surveyors and Certified Landscape Architects
  - Board of Architects

## September 17

- Corrections, Board of
- Efficiency in Government, Governor's Commission on

## October 15

- Efficiency in Government, Governor's Commission on

## November 18

- Efficiency in Government, Governor's Commission on

## PUBLIC HEARINGS

### July 8

- Taxation, Department of

### July 14

- Social Services, Department of
  - Division of Benefit Programs

### July 16

- † Mapping Coordinator, Joint Subcommittee Studying the Feasibility of a

### July 21

- Local Government, Commission on

### July 25

- † Game and Inland Fisheries, Commission of

### July 29

- Block Grants, Joint Subcommittee Studying

### August 11

- Accountancy, Virginia State Board of
- Water Control Board, State

### August 12

- † Election Laws, Joint Subcommittee Studying
- Opticians, Virginia State Board of

### August 26

- Commerce, Department of
- Health, Department of
  - Bureau of Pharmacy Services

# Calendar of Events

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**September 3**

Education Assistance Authority, State

**September 11**

† Water Control Board, State

**September 17**

† Commerce, Department of

**September 22**

† Agriculture and Consumer Services, Department of  
† Higher Education for Virginia, State Council of

**December 17**

Efficiency in Government, Governor's Commission on