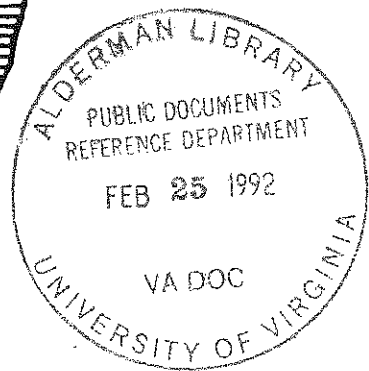
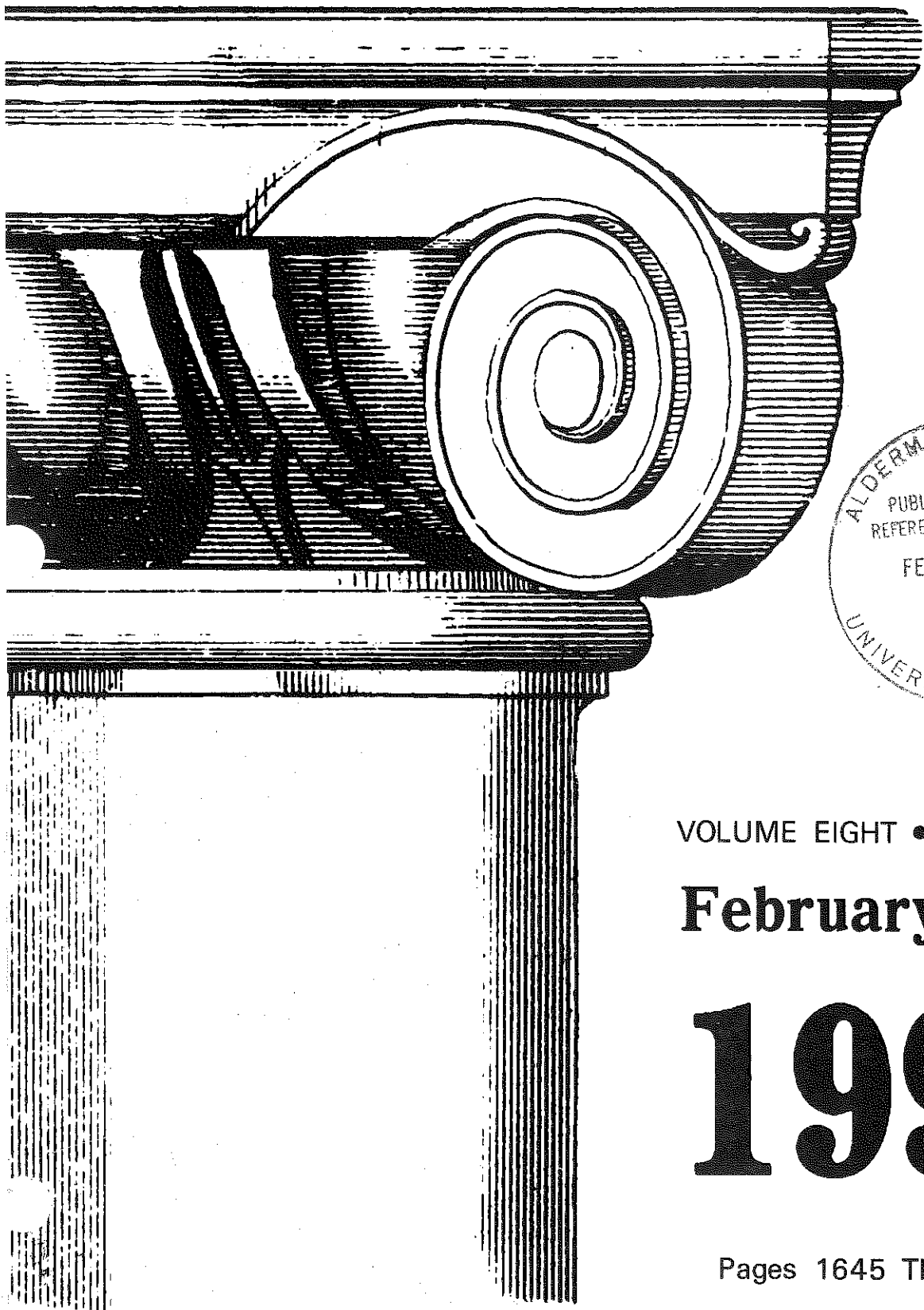


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THE VIRGINIA REGISTER

OF REGULATIONS

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February 24, 1992

1992

Pages 1645 Through 1838

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 periodically by the Department of Taxation, and notices of all public hearings and open meetings of state agencies.

ADOPTION, AMENDMENT, AND REPEAL OF REGULATIONS

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

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

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

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

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

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

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

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

A regulation becomes effective at the conclusion of this thirty-day final adoption period, or at any other later date specified by the promulgating agency, unless (i) a legislative objection has been filed, in which event the regulation, unless withdrawn, becomes effective on the date specified, which shall

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

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

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

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† Indicates entries since last publication of the Virginia Register

STATE LOTTERY DEPARTMENT (STATE LOTTERY BOARD)

Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the State Lottery Board intends to consider amending regulations entitled: **VR 447-01-2. Administration Regulations; VR 447-02-1. Instant Game Regulations; and VR 447-02-2. On-line Game Regulations.** The purpose of the proposed action is to (i) introduce subscription services, a new on-line lottery program; (ii) clarify the prize amount that can be paid by lottery retailers as a result of implementation of Pick 4; and (iii) conform existing regulations to current law.

Statutory Authority: § 58.1.4007 of the Code of Virginia.

Written comments may be submitted until March 13, 1992.

Contact: Barbara L. Robertson, Lottery Staff Officer, 2201 West Broad Street, Richmond, VA 23220, telephone (804) 367-9433.

DEPARTMENT OF MEDICAL ASSISTANCE SERVICES (BOARD OF)

Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Board of Medical Assistance Services intends to consider amending regulations entitled: **Department of Education Access to Medicaid Services.** The purpose of the proposed action is to allow school divisions to become Medicaid providers for their students and allow the school division to bill Medicaid for those covered services.

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

Written comments may be submitted until 4:30 p.m., February 24, 1992, to Jeff Nelson, Policy Analyst, Division of Policy and Research, Department of Medical Assistance Services, 600 E. Broad Street, Suite 1300, Richmond, VA 23219.

Contact: Victoria P. Simmons, Regulatory Coordinator, Department of Medical Assistance Services, 600 E. Broad Street, Suite 1300, Richmond, VA 23219, telephone (804) 786-7933.

Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Board of Medical Assistance Services intends to consider promulgating regulations entitled: **Managed Care (Medallion Program).** The purpose of the proposed action is to promulgate regulations for the Medallion Program of managed care.

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

Written comments may be submitted until 4:30 p.m., February 24, 1992, to Tom Bone, Director, Division of Managed Care, Department of Medical Assistance Services, 600 E. Broad Street, Suite 1300, Richmond, VA 23219.

Contact: Victoria P. Simmons, Regulatory Coordinator, Department of Medical Assistance Services, 600 E. Broad Street, Suite 1300, Richmond, VA 23219, telephone (804) 786-7933.

Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Board of Medical Assistance Services intends to consider amending regulations entitled: **Methods and Standards for Establishing Payment Rates—Inpatient Hospital Services; Disproportionate Share Adjustments for State Teaching Hospitals.** The purpose of the proposed action is to promulgate permanent regulations to supersede the existing emergency regulations providing for the same policy.

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

Written comments may be submitted until 4:30 p.m., February 24, 1992, to Wm. R. Blakely, Jr., Director, Division of Cost Settlement and Audit, Department of Medical Assistance Services, 600 E. Broad Street, Suite 1300, Richmond, VA 23219.

Contact: Victoria P. Simmons, Regulatory Coordinator, Department of Medical Assistance Services, 600 E. Broad Street, Suite 1300, Richmond, VA 23219, telephone (804) 786-7933.

Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Board of Medical Assistance Services intends to consider amending regulations entitled: **Methods and Standards for Establishing Payment Rates—Inpatient Hospital Services; Outlier Adjustment Payments.** The purpose of the

Notices of Intended Regulatory Action

proposed action is to promulgate permanent regulations to supersede the existing emergency regulations for the same policy, which resulted from § 4606 of the Omnibus Budget Reconciliation Act of 1990.

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

Written comments may be submitted until 4:30 p.m., February 24, 1992, to Wm. R. Blakely, Jr., Director, Division of Cost Settlement and Audit, Department of Medical Assistance Services, 600 E. Broad Street, Suite 1300, Richmond, VA 23219.

Contact: Victoria P. Simmons, Regulatory Coordinator, Department of Medical Assistance Services, 600 E. Broad Street, Suite 1300, Richmond, VA 23219, telephone (804) 786-7933.

Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Board of Medical Assistance Services intends to consider amending regulations entitled: **VR 460-03-4.1921. Obstetric/Pediatric Maximum Fees.** The purpose of the proposed action is to promulgate updates to the existing obstetric/pediatric fees currently contained in Attachment 4.19 B, Supplement 1.

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

Written comments may be submitted until 4:30 p.m., February 24, 1992, to Len Varmette, Manager, Division of Client Services, Department of Medical Assistance Services, 600 E. Broad Street, Suite 1300, Richmond, VA 23219.

Contact: Victoria P. Simmons, Regulatory Coordinator, Department of Medical Assistance Services, 600 E. Broad Street, Suite 1300, Richmond, VA 23219, telephone (804) 786-7933.

Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Board of Medical Assistance Services intends to consider promulgating regulations entitled: **Transportation Program.** The purpose of the proposed action is to promulgate permanent regulations to supersede the existing emergency regulations which provide for the discontinuing of the prior authorization requirement for transportation services.

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

Written comments may be submitted until 4:30 p.m., February 24, 1992, to Bernie Pomfrey, Manager, Division of Client Services, Department of Medical Assistance Services, 600 E. Broad Street, Suite 1300, Richmond, VA 23219.

Contact: Victoria P. Simmons, Regulatory Coordinator, Department of Medical Assistance Services, 600 E. Broad

Street, Suite 1300, Richmond, VA 23219, telephone (804) 786-7933.

DEPARTMENT OF MENTAL HEALTH, MENTAL RETARDATION AND SUBSTANCE ABUSE SERVICES (STATE BOARD)

Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the State Mental Health, Mental Retardation and Substance Abuse Services Board intends to consider promulgating regulations entitled: **Certification of Therapeutic Consultation and Residential Services.** The purpose of the proposed action is to promulgate permanent regulations which set requirements for providers of therapeutic consultation and residential services under the Mental Retardation waiver.

Statutory Authority: §§ 37.1-10 and 37.1-179.1 of the Code of Virginia.

Written comments may be submitted until March 10, 1992, to Ben Saunders, Department of Mental Health, Mental Retardation and Substance Abuse Services, P.O. Box 1797, Richmond, VA 23214.

Contact: Rubyjean Gould, Director of Administrative Services, Department of Mental Health, Mental Retardation and Substance Abuse Services, P.O. Box 1797, Richmond, VA 23214, telephone (804) 786-3915.

BOARD OF NURSING HOME ADMINISTRATORS

Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Board of Nursing Home Administrators intends to consider amending regulations entitled: **VR 500-02-2:l. Regulations of the Board of Nursing Home Administrators.** The purpose of the proposed action is to provide flexibility by including another route to licensure through relaxed qualifications.

Statutory Authority: §§ 54.1-100 through 54.1-114, 54.1-2400 through 54.1-2403, 54.1-2500 through 54.1-2510, and 54.1-3100 through 54.1-3103 of the Code of Virginia.

Written comments may be submitted until March 12, 1992.

Contact: Meredyth P. Partridge, Executive Director, Board of Nursing Home Administrators, 1601 Rolling Hills Drive, Richmond, Virginia 23229, telephone (804) 662-9111.

BOARD OF PROFESSIONAL COUNSELORS

Notice of Intended Regulatory Action

Notices of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Board of Professional Counselors intends to consider amending regulations entitled: **560-01-02. Regulations Governing the Practice of Professional Counseling.** The purpose of the proposed action is to consider the deletion of oral examinations for professional counselor licensure. The board is extending the period of comment to allow for additional public input regarding oral examinations.

Statutory Authority: § 54.1-2400 of the Code of Virginia.

Written comments may be submitted until March 10, 1992.

Contact: Evelyn B. Brown, Executive Director, Board of Professional Counselors, 1601 Rolling Hills Drive, Richmond, VA 23229, telephone (804) 662-9912.

DEPARTMENT OF SOCIAL SERVICES (BOARD OF)

Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Board of Social Services intends to consider amending regulations entitled: **VR 615-08-01. Virginia Energy Assistance Program.** The purpose of the proposed action is to plan policies and procedures for implementation in the 1992-93 program year. Based on problems identified, procedural modification will occur. Regulatory requirements are contained in Title VI of the Human Services Reauthorization Act of 1990 (Public Law 101-501).

Statutory Authority: § 63.1-25 of the Code of Virginia.

Written comments may be submitted until March 10, 1992, to Charlene H. Chapman, Virginia Department of Social Services, Division of Benefit Programs, 8007 Discovery Drive, Richmond, VA 23229-8699.

Contact: Peggy Friedenber, Legislative Analyst, Bureau of Governmental Affairs, 8007 Discovery Drive, Richmond, VA 23229-8699, telephone (804) 662-9217.

DEPARTMENT OF WASTE MANAGEMENT (VIRGINIA WASTE MANAGEMENT BOARD)

Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Virginia Waste Management Board intends to consider amending regulations entitled: **VR 672-20-10. Solid Waste Management Regulations.** The purpose of the proposed action is to update the 1988 regulations including requirements of the newly promulgated federal Solid Waste Disposal Facility Criteria.

Statutory Authority: § 10.1-1402 of the Code of Virginia.

Written comments may be submitted until April 1, 1992.

Contact: Wladimir Gulevich, Department of Waste Management, 101 N. 14th Street, 11th Floor, Monroe Building, Richmond, VA 23219, telephone (804) 225-2667.

BOARD FOR WATERWORKS AND WASTEWATER WORKS OPERATORS

Notice of Intended Regulatory Action

Notice is hereby given in accordance with this agency's public participation guidelines that the Board for Waterworks and Wastewater Works Operators intends to consider amending regulations entitled: **VR 675-01-02. Board for Waterworks and Wastewater Works Operators.** The purpose of the proposed action is to initiate a review process to consider adjusting fees charged by the board.

Statutory Authority: § 54.1-201(5) of the Code of Virginia.

Written comments may be submitted until March 2, 1992.

Contact: Geralde W. Morgan, Administrator, Department of Commerce, 3600 West Broad Street, Richmond, VA 23230-4917, telephone (804) 367-8534.

PROPOSED REGULATIONS

For information concerning Proposed Regulations, see information page.

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 EDUCATION (STATE BOARD OF)

Title of Regulation: VR 270-01-0000. Teacher Certification Regulations. **REPEALED.**

Title of Regulation: VR 270-01-0000:1. Regulations Governing the Licensure of School Personnel.

Statutory Authority: § 22.1-298 of the Code of Virginia.

Public Hearing Date: Written comments may be submitted until April 24, 1992.

(See Calendar of Events section for additional information)

Summary:

The proposed Licensure Regulations for School Personnel state the criteria for licensing of teachers, administrators, and support personnel. The regulations are established to maintain standards of professional competence and to ensure a level of training and preparation that will lead to successful practice in the classroom. Licensing of teachers and administrators in Virginia facilitates reciprocity in the licensure process across states.

In 1989, a steering committee composed of subcommittees in the areas of licensure, teaching areas, and support personnel was established to submit proposed licensure revisions to the Advisory Board on Teacher Education and Certification. Task forces, subcommittees, and the steering committee were composed of representatives from local school divisions, institutions of higher education, associations, the Department of Education, and other concerned parties. During the past year and a half, the Advisory Board on Teacher Education and Certification has been reviewing and refining their proposal. Following a preliminary public comment period which ended September 30, 1991, the Advisory Board completed its work in January 1992 and made its recommendations to the State Board of Education.

The requirements include the following general areas: general studies, professional studies, and specific endorsement requirements. The regulations also set forth types of licenses; procedures for adding and deleting endorsements; testing requirements; alternate route to license; licensure renewal; requirements governing revocation, cancellation, suspension, denial, and reinstatement of teaching license; and the responsibility of the Advisory Board on Teacher Education and Certification/Licensure.

Major revisions include the establishment of two new licenses (school nurse and division superintendent); nine new endorsement areas (adult education, adult English as a second language, computer science, keyboarding, dance, foreign languages in elementary grades, gifted education, vocational evaluator, and vocational special needs); new procedure to adding and deleting endorsements; and a new approach to the alternative route to licensure. Other revisions include: (i) renaming the vocational education certificate to the technical professional license—only individuals without a baccalaureate degree would be eligible for the technical professional license; (ii) increasing the number of hours required in professional studies; (iii) requiring one year of full-time teaching under a mentor teacher in the alternate route to certification; and (iv) changing the grade-level designations in elementary/middle schools to early education NK-3, elementary grades 3-6, and middle education grades 6-8.

VR 270-01-0000:1. Regulations Governing the Licensure of School Personnel.

PART I. DEFINITIONS.

§ 1.1. Definitions.

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

"Accredited institution" means an institution of higher education which is accredited by a state, regional, or national accrediting agency recognized by the United States Department of Education.

"Cancellation" means the annulment, voiding, or invalidation of a teaching license following voluntary surrender of the license by the license holder.

"Collegiate Professional License" means a five-year, renewable license available to an individual who has satisfied all requirements for licensure, including the NTE. It is also issued to an applicant from out-of-state with a current, valid license from that state or who has completed an approved teacher preparation program in another state in a comparable endorsement area and who has met the NTE requirement.

"Content area course work" means courses at the undergraduate level (two or four-year institution) or at the

graduate level that will not duplicate previous courses taken in the humanities, history and the social sciences, the sciences, mathematics, health and physical education, and the fine arts. These courses are usually available through the college or department of arts or sciences.

"Denial" means the refusal to grant a teaching license to a new applicant, or to an applicant who is reapplying after the expiration of a license.

"Postgraduate Professional License" means a five-year, renewable license available to an individual who has qualified for the Collegiate Professional License and who holds an appropriate earned graduate degree from an accredited institution.

"Probationary NTE License" means a license which is issued only at the request of the employing educational agency for the employed individual who is eligible for licensure but who needs to successfully complete the National Teacher Examinations (NTE). The license is nonrenewable and may not be extended. The license is issued upon the date of employment for one year to allow the NTE requirement to be met. The probationary NTE license year will be counted as one of the two years of the two-year provisional license.

"Provisional License" means a nonrenewable license issued for a period of two years. It is available to:

1. An individual holding a baccalaureate degree from an accredited institution who meets the requirements for one or more endorsement areas (in-state or out-of-state); or
2. An individual entering the teaching field through the alternate route to licensure upon recommendation of the employing educational agency; or
3. An individual failing to meet an allowable portion of general, professional or specific endorsement requirements; or
4. An individual seeking the Technical Professional License.

"Pupil Personnel Services License" means a five-year, renewable license available to an individual who has earned an appropriate graduate degree from an accredited institution with an endorsement for guidance counselor, school psychologist, school social worker or visiting teacher. This license does not require teaching experience.

"Revocation" means the annulment by recalling, repealing, or rescinding a teaching license.

"School Nurse License" means a five-year, renewable license available to a person licensed as a registered nurse in Virginia and who has completed a minimum of one-year, full-time experience in nursing (child health or community health preferred) and 12 semester hours of

specific undergraduate/graduate credit distributed in the areas of nursing and related support. Refer to the School Nurse License requirements listed under the Support Personnel section of these regulations.

"Superintendent License" means a five-year, renewable license and is available to an individual who has completed an earned master's degree from an accredited institution of higher education and completed specific requirements through one of three options outlined in the Support Personnel section of these regulations. The individual's name must be listed on the Board of Education's Eligible List of Division Superintendents.

"Suspension" means the temporary withdrawal of a teaching license.

"Technical Professional License" means a five-year, renewable license available to a person who does not hold a baccalaureate degree, but has exhibited academic proficiency, technical competency, and occupational experience. Individuals must complete the Vocational Teacher Development Program and nine semester hours of college credit to be eligible.

PART II. ADMINISTERING THE REGULATIONS.

§ 2.1. In administering the regulations, modifications may be made in exceptional cases by the Superintendent of Public Instruction.

PART III. LICENSURE.

§ 3.1. Purpose and responsibility for licensure.

The primary purpose of licensure of teachers and other school personnel is to maintain standards of professional competence. The responsibility for licensure is set forth in § 22.1-298 of the Code of Virginia. The Board of Education shall, by regulation, prescribe the requirements for licensure of teachers.

§ 3.2. Conditions for licensure.

In accordance with this authority, the Board of Education prescribes these regulations. Applicants for licensure will:

1. Be at least 18 years of age;
2. Pay the appropriate fees as determined by the Board of Education and complete the application process;
3. Have earned a baccalaureate degree (with the exception of the Technical Professional License and the School Nurse License), from an accredited institution of higher education; and

Proposed Regulations

4. Possess good moral character (free of conditions outlined in Part IV).

§ 3.3. Types of licenses.

The following types of licenses are available:

1. Probationary NTE License.
2. Provisional License.
3. Technical Professional License.
4. School Nurse License.
5. Collegiate Professional License.
6. Postgraduate Professional License.
7. Pupil Personnel Services License.
8. Superintendent License.

§ 3.4. Dating of licenses.

All licenses will be dated from July 1 in the year in which the application was made. The only exception to this is the Probationary NTE License.

§ 3.5. Additional endorsements.

One or more endorsements may be added to the license provided that specific endorsement requirements have been met. Written requests are made by the licensed professional and should be directed to the employing educational agency, college or university, or may be submitted by the individual with written notice being sent to the educational agency. Written requests should be submitted by January 15 to be in effect by July 1 of that year.

§ 3.6. Deletion of an endorsement.

An endorsement may be deleted from a license at the request of the licensed professional. Written requests are made by the licensed professional and should be directed to the employing educational agency or may be submitted by the individual with written notice being sent to the educational agency. Written requests should be submitted by January 15 to be in effect by July 1 of that year. Individuals who wish to later add an endorsement which has been deleted must meet requirements for that endorsement at the time the endorsement is requested.

§ 3.7. National Teacher Examinations.

All candidates who hold at least a bachelor's degree and who seek an initial Virginia teaching license must obtain passing scores on the National Teacher Examinations (NTE) including the three tests of the Core Battery Examination and an appropriate Specialty Area test.

Candidates seeking a Technical Professional License and the School Nurse License are not required to take the NTE. Individuals who have completed a minimum of two years of full-time, successful teaching experience in an accredited public or nonpublic school (kindergarten through 12th grade) will be exempted from the NTE requirement.

§ 3.8. Alternate route to licensure.

A. Alternative programs developed by institutions of higher education (i) recognize the unique strengths of prospective teachers from nontraditional backgrounds, and (ii) prepare these individuals to meet the same standards that are established for others who are granted a provisional license.

B. The alternate route is available to those individuals employed by an educational agency seeking teaching endorsements Kindergarten through Grade 12. Endorsements at the elementary or middle school level may require the individual to take courses that are consistent with content and other unique practices for working with students at these levels.

C. Guidelines.

1. An individual seeking a Provisional License through the alternate route must have:

a. Earned a baccalaureate degree in the arts and sciences from an accredited institution of higher education;

b. Completed course work, or its equivalency, in the following:

General Studies: 46 semester hours.

(1) Arts and humanities-9 semester hours;

(2) Written and oral communication skills-6 semester hours;

(3) Mathematics-6 semester hours;

(4) Literature-3 semester hours;

(5) History-6 semester hours;

(6) Social sciences-6 semester hours;

(7) Sciences-6 semester hours;

(8) Computer science-1 semester hour; and

(9) Health and physical education-3 semester hours.

Those persons who have an undergraduate degree other than arts and sciences wishing to teach at the NK-8 levels must meet the equivalent requirements

for courses in the arts and sciences prior to employment.

c. Met endorsement requirements for subject areas; and

d. Successfully completed the National Teacher Examinations (NTE). (If the individual has not satisfied the NTE requirement, a one-year, nonrenewable probationary license may be issued upon the request of the employing educational agency.)

2. The following requirements shall be satisfied within the validity period of the Provisional License:

a. Professional Studies: 15 semester hours.

A minimum of 15 semester hours of professional studies in Areas I, II, III, and IV which must include the following competencies: subject area content indicating depth and breadth of subject, organization, classroom management, understanding of the various patterns of human growth and development, individual differences, evaluation, multicultural differences, and reading.

(1) Area I - Human Growth and Development: 3 semester hours.

Skills in this area shall contribute to an understanding of the physical, social, emotional, and intellectual development of children and the ability to use this understanding in guiding learning experiences. The self-esteem and interaction of children with individual differences should be included.

(2) Area II - Curriculum and Instructional Procedures: 6 semester hours.

Skills in this area shall contribute to an understanding of the principles of learning; the application of skills in discipline-specific methodology; communication processes; classroom management; selection and use of materials, including media and computers; and evaluation of pupil performance. In addition, teaching methods appropriate for exceptional students, including the gifted and talented and those with disabling conditions, shall be included. Course work will include field experiences at the appropriate level(s).

(3) Area III - Foundations of Education: 3 semester hours.

Skills in this area shall be designed to develop an understanding of the historical, philosophical, and sociological foundations underlying the role, development and organization of public education in the United States. Attention should be given to the

legal status of students and teachers, including federal and state laws and regulations, school as an organization/culture, and contemporary issues in education.

(4) Area IV - Reading: 3 semester hours.

NK-3 Developmental Reading.

3-6 Diagnostic or Content Area.

6-8 Reading in Content Area.

8-12 Adult Literacy or Content Area.

b. Complete one year of successful, full-time experience in the appropriate teaching area under the direct supervision of a mentor teacher fully licensed in the same specialty area, trained in a program that complies with established Board of Education guidelines.

§ 3.9. Requirements for renewing a license.

A. The Superintendent, Postgraduate Professional, Collegiate Professional, Technical Professional, School Nurse, and Pupil Personnel Services licenses may be renewed upon the completion of 180 professional development points within a five-year validity period based on an individualized professional development plan. Professional development points can be accrued by the completion of activities drawn from one or more of the following options: college credit, professional conference, peer observation, educational travel, curriculum development, publication of article, publication of book, mentorship/supervision, educational project, employing educational agency professional development activity.

B. A minimum of 90 points (three semester hours in a content area) in the license holder's endorsement area(s) shall be required of license holders without a master's degree and may be satisfied at the undergraduate (two- or four-year institution) or at the graduate level. Special education course work designed to assist classroom teachers and other school personnel in working with students with disabilities may be completed to satisfy the content course requirement. Technical Professional License or School Nurse License holders without baccalaureate degrees may satisfy the requirement through vocational education workshops, vocational education institutes, or through undergraduate course work at two- or four-year institutions.

C. Content area course work is defined as courses at the undergraduate level (two- or four-year institution) or at the graduate level that will not duplicate previous courses taken in the humanities, history and the social sciences, the sciences, mathematics, health and physical education, and the fine arts. These courses are usually available through the college or department of arts and sciences. License holders with elementary education, middle

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education, special education, or reading endorsement(s) must satisfy the 90-point requirement through content course work in one of the areas listed above. Courses available through the college or department of education may be used to satisfy the content requirement for those license holders with endorsements in health and physical education, vocational education, and library science education.

D. With prior approval of the division superintendent, the 90 points in a content area may also be satisfied through: (i) course work taken to obtain a new teaching endorsement or (ii) course work taken because of a particular need of a particular teacher.

E. The remaining 90 points may be accrued by activities drawn from one or more of the 10 options described in The Virginia Renewal Manual. Renewal work is designed to provide licensed personnel with opportunities for professional development relative to the grade level(s) or teaching field(s) to which they are assigned or for which they seek an added endorsement. Such professional development encompasses both (i) responsible remediation of any area of an individual's knowledge or skills that fails to meet the standards of competency and (ii) responsible efforts to increase one's knowledge of new developments in one's field and to respond to new curricular demands within one's area of professional competence.

F. The proposed work toward renewal in certain options must be approved by the chief executive officer or designee of the employing educational agency prior to taking the renewal work. Persons who are not employed by an educational agency may renew or reinstate their license by submitting to the Office of Professional Licensure, Department of Education, their Individualized Renewal Record and official student transcripts verifying course work taken from an accredited two- or four-year college or university.

G. Persons who have completed an earned doctorate degree in the area in which they are employed, with the approval of the chief executive officer or designee of the employing educational agency, may submit their completed Individualized Renewal Record to the Office of Professional Licensure, Department of Education.

H. Accrual of professional development points shall be determined by the criteria set forth in The Virginia Renewal Manual.

PART IV. REVOCATION, CANCELLATION, SUSPENSION, DENIAL AND REINSTATEMENT OF TEACHING LICENSES.

§ 4.1. Revocation.

A. A teaching license may be revoked for the following reasons:

1. Obtaining or attempting to obtain such license by fraudulent means or through misrepresentation of material facts;
2. Falsification of school records, documents, statistics, or reports;
3. Conviction of any felony;
4. Conviction of any misdemeanor involving moral turpitude;
5. Conduct, such as immorality, or personal condition detrimental to the health, welfare, discipline, or morale of students or to the best interest of the public schools of the Commonwealth of Virginia;
6. Misapplication of or failure to account for school funds or other school properties with which the licensee has been entrusted;
7. Other good and just cause of a similar nature.

B. Procedures.

1. Submission of complaints. A complaint may be filed by anyone, but it shall be the duty of a division superintendent, principal or other responsible school employee to file a complaint in any case in which he has knowledge that a holder of a teaching license is guilty of any offense set forth in subsection A of this section. The person making the complaint shall submit it in writing to the appropriate division superintendent.
2. Action by division superintendent. Investigation: Upon receipt of the complaint against the holder of a teaching license, a division superintendent or his duly authorized representative shall investigate the charge.

If, on the basis of such investigation, the division superintendent finds the complaint to be without merit, he shall so notify the complaining party or parties in writing and then close his file on the matter. This action shall be final unless the local school board, on its own motion, votes to proceed to a hearing on the complaint or unless circumstances are present making this section of the regulations applicable.

C. Petition for revocation.

Should the division superintendent or local school board conclude that there is reasonable cause to believe that a complaint against the holder of a teaching license is well-founded, the teacher shall be notified of the complaint by a written "petition for revocation of a license" signed by the division superintendent. A copy of such petition shall be sent by registered mail, return receipt requested, to the teacher's last known address. If not otherwise known, the last known address shall be the address shown in the records of the Department of Education.

D. Form of petition.

The petition for the revocation of a license shall set forth:

1. The name and last known address of the person against whom the petition is being filed;
2. The social security number of and the type of license held by the person against whom the petition is being filed;
3. The offenses which are alleged and the specific actions which comprise the alleged offenses;
4. The name and address of the party filing the original complaint against the license holder;
5. A copy of the regulations which contain a statement of the rights of the person charged under these regulations; and
6. Any other pertinent information.

E. Filing of petition.

The original petition shall be entered in the files of the local school board where the license holder is employed.

F. Response to petition.

The license holder shall present his written answer, if any, to the petition within 14 days after the date of service of the petition as certified by the United States Postal Service.

1. If the teacher in his answer to the petition states that he does not wish to contest the charges, he may voluntarily return his license to the division superintendent with a written and signed statement requesting cancellation. The Superintendent of Public Instruction is authorized, upon receipt of the license holder's written and signed request from the division superintendent, to cancel the teaching license.
2. If the license holder files a written answer admitting the charges, or refuses to accept the copy of the petition from the postal authorities, or fails to file a written answer within 14 days after service of the petition upon him, or has failed to provide postal authorities with a forwarding address so that the petition can be delivered, the local school board shall proceed to a hearing as described in this section.
3. If the license holder files his written answer denying the charges in the petition, the local school board shall provide a hearing at the time and place of its regular meeting or at such other reasonable time and place it may specify. The license holder or his representative, if any, shall be given at least 14 days notice of the hearing.

4. Following its hearing, the local school board shall receive the recommendation of the division superintendent and then either dismiss the charges or make such recommendations relative to revocation of a license as it deems appropriate. A decision to dismiss the charges shall be final (except as specified in § 4.1 G), and the investigative file on the charges shall be closed forthwith, and destroyed or maintained as a separate sealed file under provision of the Code of Virginia. Any record or material relating to the charges in any other file will be removed or destroyed. Should the local school board recommend the revocation or suspension of a license, this recommendation, along with the investigative file, shall promptly be forwarded by the division superintendent to the Superintendent of Public Instruction.

G. Revocation on motion of Board of Education.

The Board of Education reserves the right, in situations not covered by the foregoing regulations, to act directly in revoking a license. No such revocation will be ordered without the involved license holder being given the opportunity for the hearing specified in § 4.6 B.

H. Reinstatement of license.

A license that has been revoked may be reinstated by the Board of Education after five years, if the board is satisfied that reinstatement is in the best interest of the former license holder and the public schools of the Commonwealth of Virginia. The license holder must apply to the board for reinstatement. Notification to all appropriate parties will be communicated in writing by the state agency.

§ 4.2. Cancellation.

A. A teaching license may be cancelled by voluntary return by the individual, or for reasons listed under § 4.1 A, or for the following reason:

The teacher in his answer to the petition as described in § 4.2 D states that he does not wish to contest the charges. Reasons for cancellation are the same as those listed under § 4.1 A.

B. Procedures.

The individual may voluntarily return the license to the division superintendent with a written and signed statement requesting cancellation. The Superintendent of Public Instruction is authorized, upon receipt of the license holder's written and signed request from the division superintendent, to cancel the license.

However, no such cancellation will be made without the involved license holder being given the opportunity for a hearing as specified in § 4.6 B.

C. Reinstatement of license.

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A license that has been returned for cancellation may be reissued using the normal procedure for application, if the board is satisfied that reinstatement is in the best interest of the former license holder and the public schools of the Commonwealth of Virginia. The license holder must apply to the board for reinstatement. Notification to all appropriate parties will be communicated in writing by the state agency.

§ 4.3. Suspension.

A. A teaching license may be suspended for the following reasons:

1. Physical, mental, or emotional incapacity as shown by a competent medical authority;
2. Incompetency or neglect of duty;
3. Failure or refusal to comply with school laws and regulations, including willful violation of contractual obligations; or
4. Other good and just cause of a similar nature.

B. Procedures.

1. *Submission of complaints.* A complaint may be filed by anyone, but it shall be the duty of a division superintendent, principal or other responsible school employee to file a complaint in any case in which he has knowledge that a holder of a teaching license is guilty of any offense set forth in § 4.3 A of these regulations. The person making the complaint shall submit it in writing to the appropriate division superintendent.

2. *Action by division superintendent. Investigation:* Upon receipt of the complaint against the holder of a teaching license, a division superintendent or his duly authorized representative shall investigate the charge.

a. If, on the basis of such investigation, the division superintendent finds the complaint to be without merit, he shall so notify the complaining party or parties in writing and then close his file on the matter. This action shall be final unless the local school board, on its own motion, votes to proceed to a hearing on the complaint or unless circumstances are present making § 4.3 B 2 b of the regulations applicable.

b. *Petition for suspension.* Should the division superintendent or local school board conclude that there is reasonable cause to believe that a complaint against the holder of a teaching license is well-founded, the teacher shall be notified of the complaint by a written "petition for suspension of a license form" signed by the division superintendent. A copy of such petition shall be sent by registered mail, return receipt requested, to the teacher's last

known address. If not otherwise known, the last known address shall be the address shown in the records of the Department of Education.

c. *Form of petition.* The petition for the suspension of a license shall set forth:

- (1) The name and last known address of the person against whom the petition is being filed;
- (2) The social security number of and the type of license held by the person against whom the petition is being filed;
- (3) The offenses which are alleged and the specific actions which comprise the alleged offenses;
- (4) The name and address of the party filing the original complaint against the license holder;
- (5) A statement of the rights of the person charged under these regulations; and
- (6) Any other pertinent information.

C. Filing of petition.

The original petition shall be entered in the files of the local school board where the license holder is employed.

D. Response to petition.

The license holder shall present his written answer, if any, to the petition within 14 days after the date of service of the petition as certified by the United States Postal Service.

1. If the teacher in his answer to the petition states that he does not wish to contest the charges, he may voluntarily return his license to the division superintendent with a written and signed statement requesting suspension. The Superintendent of Public Instruction is authorized, upon receipt of the license holder's written and signed request from the division superintendent, to cancel the teaching license.

2. If the license holder files a written answer admitting the charges, or refuses to accept the copy of the petition from the postal authorities, or fails to file a written answer within 14 days after service of the petition upon him, or has failed to provide postal authorities with a forwarding address so that the petition can be delivered, the local school board shall proceed to a hearing as described in this section.

3. If the license holder files his written answer denying the charges in the petition, the local school board shall provide a hearing at the time and place of its regular meeting or at such other reasonable time and place it may specify. The license holder or his representative, if any, shall be given at least 14

days notice of the hearing.

4. Following its hearing, the local school board shall receive the recommendation of the division superintendent and then either dismiss the charges or make such recommendations relative to suspension of a license as it deems appropriate. A decision to dismiss the charges shall be final, except as specified in § 4.3 E, and the file on the charges shall be closed forthwith and all materials expunged. Should the local school board recommend the suspension of a license, this recommendation, along with supporting evidence, shall promptly be forwarded by the division superintendent to the Superintendent of Public Instruction.

E. Suspension on motion of Board of Education.

The Board of Education reserves the right, in situations not covered by the foregoing regulations, to act directly in suspending a license. No such suspension will be ordered without the involved license holder being given the opportunity for the hearing as specified.

F. Reinstatement of license.

A license may be suspended for a period of time not to exceed five years. The license may be reinstated by the Department of Education upon request with verification that all requirements for license renewal have been satisfied. The license holder must apply to the board for reinstatement. Notification to all appropriate parties will be communicated in writing by the state agency.

§ 4.4. Denial.

A. A teaching license may be denied for the following reasons:

1. Attempting to obtain such license by fraudulent means or through misrepresentation of material facts;
2. Falsification of records or documents;
3. Conviction of any felony;
4. Conviction of any misdemeanor involving moral turpitude;
5. Conduct, such as immorality, or personal condition detrimental to the health, welfare, discipline, or morale of students or to the best interest of the public schools of the Commonwealth of Virginia;
6. Revocation of the license by another state; and
7. Other good and just cause of a similar nature.

B. Expired license.

The holder of a teaching license which has expired may

be denied renewal or reinstatement by the Superintendent of Public Instruction for any of the reasons specified in § 4.1 A of these regulations. No such denial will be ordered unless the license holder is given the opportunity for the hearing specified in § 4.6 B.

§ 4.5. Right to counsel and transcript.

A license holder shall have the right, at his own expense, to be represented by counsel of his choice at the local school board hearing provided for in § 4.5 or in the proceedings before the Board of Education as specified in § 4.6 A. Counsel may, but need not, be an attorney. Any such hearing before a local school board and any hearing before the Board of Education shall be recorded, and the party charged shall be provided, upon written request, a hearing transcript without charge.

§ 4.6. Action by the State Superintendent of Public Instruction and the Board of Education.

A. Upon receipt of the complaint from the local school division, the Superintendent of Public Instruction will ensure that an investigative panel at the state level reviews the petition. The panel shall consist of three to five members selected by the Division Chief, Compliance Coordination, Virginia Department of Education. The license holder should be notified within 14 days of the receipt of the complaint to the Department of Education as to the date, time and location of this hearing. Both parties, the local school division and the license holder, are entitled to be present with counsel if so desired. The recommendation of the state level panel is made to the state superintendent, for presentation to the State Board of Education. He shall then present his report to the Board of Education or its duly designated committee at one of its duly scheduled meetings. The license holder shall be given at least 14 days notice, in the manner specified in § 4.1 F, of the date on which the Superintendent of Public Instruction's report will be continued, where necessary, from one Board of Education or committee meeting to another.

B. Hearing.

The Board of Education, or its duly designated committee, shall receive and consider the report of the Superintendent of Public Instruction and such relevant and material evidence as the license holder may desire to present at the hearing. At the conclusion of the hearing, the Superintendent of Public Instruction may make his recommendation as to what revocation or suspension action should be taken by the Board of Education. The Board of Education will then enter its order within 14 days after the hearing has concluded. This order will contain findings of fact either sustaining or dismissing the complaint.

C. Decision not to revoke or suspend.

If the decision of the Board of Education is not to

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revoke or suspend the license, the license holder and the principal complainants will be so notified and the Board of Education's file and any other record or material will be removed or destroyed.

D. Decision to revoke or suspend.

If the decision of the Board of Education is to revoke or suspend the license, a written order will be entered in the minutes of the meeting at which the matter was decided. A copy of this order will be sent to the license holder and the principal complainants.

§ 4.7. Right of license holder to appear at hearing.

A license holder shall have the right to appear in person at local school board, Board of Education, or Board of Education committee hearings described herein unless he is confined to jail or a penal institution. The local school board or Board of Education, at its discretion, may continue such hearings for a reasonable time, if the license holder is prevented from appearing in person for such reasons as documented medical or mental impairment.

§ 4.8. Notification.

Notification of the revocation, denial, or reinstatement of a teaching license shall be made by the Superintendent of Public Instruction, or by his designee, via registered or certified mail, to division superintendents in Virginia and to chief state school officers of the other states, and territories of the United States.

PART V.

ADVISORY BOARD ON TEACHER EDUCATION AND LICENSURE.

§ 5.1. Advisory Board on Teacher Education and Licensure.

A. As set forth in § 22.1-305.2 in the Code of Virginia, the Advisory Board on Teacher Education and Licensure advises the Board of Education on policies applicable to the licensure of school personnel.

B. Of the members who are classroom teachers of the advisory board, one may represent accredited private schools, one shall be a teacher of special education, and one shall be a teacher of vocational education.

C. The Board of Education may appoint the members of the advisory board from nominations submitted by state societies or incorporated associations with statewide membership representing teachers, principals, superintendents, school personnel administrators, school boards, parents, teacher preparation programs and others.

D. The Advisory Board on Teacher Education and Licensure shall undertake such studies related to licensure as the Board of Education may request or the Advisory

Board on Teacher Education and Licensure may recommend to the Board of Education.

E. The Board of Education shall make a timely response to recommendations from the advisory board.

F. The Advisory Board on Teacher Education and Licensure shall make at least one annual presentation to the Board of Education, and shall make additional presentations on the call of the members of the Advisory Board on Teacher Education and Licensure.

PART VI.

GENERAL AND PROFESSIONAL STUDIES REQUIREMENTS.

§ 6.1. General studies requirements.

A. Prospective candidates for licensure, with the exception of those seeking the Technical Professional License, in the Commonwealth of Virginia must provide evidence of the completion of a general education program that meets the standards.

B. The general education background for all students shall include a minimum of 46 semester credit hours of course work to include the following requirements. General studies course work may be applied to an endorsement unless otherwise noted.

Arts and humanities 9 semester hours.
(art, music, philosophy, and foreign language).

Written and oral communication skills
(including but not limited to
English grammar and composition).
..... 6 semester hours.

Literature 3 semester hours.

Mathematics 6 semester hours.
(algebra or calculus equivalent).

History 6 semester hours.
(must include American History).

Social sciences 6 semester hours.

Sciences 6 semester hours.
(one course must include laboratory).

Computer sciences 1 semester hour.

Health and physical education 3 semester hours.
(may include course work designated
as health, physical education,
wellness, recreation, physical
fitness, and related descriptors).

§ 6.2. Professional studies requirements.

A. An applicant for licensure, with the exception of those applying for the Technical Professional License, shall have completed a professional education program with a minimum of 15 semester hours with the distribution of semester hour requirements as stipulated in the following areas.

1. Human growth and development (birth through adolescence): 3 semester hours.

Skills in this area shall contribute to an understanding of the physical, social, emotional, and intellectual development of children and the ability to use this understanding in guiding learning experiences. The self-esteem and interaction of children with individual differences—economic, social, racial, ethnic, religious, physical, and mental—should be incorporated to include skills contributing to an understanding of developmental disabilities and developmental issues related to and not limited to substance abuse, child abuse, family disruptions.

2. Curriculum and instructional procedures: 6 semester hours.

Skills in this area shall contribute to an understanding of the principles of learning; the application of skills in discipline-specific methodology; communication processes; classroom management; selection and use of materials, including media and computers; and evaluation of pupil performance. In addition, teaching methods appropriate for exceptional students, including gifted and talented and those with disabling conditions, methods appropriate for the level of endorsement sought, shall be included. Pre-student teaching experiences (field experiences) should be evident within these skills. For NK-12 field experiences must be at the elementary, middle, and secondary levels.

3. Foundations of education: 3 semester hours.

Skills in this area shall be designed to develop an understanding of the historical, philosophical, and sociological foundations underlying the role, development and organization of public education in the United States. Attention should be given to the legal status of teachers and students, including federal and state laws and regulations, school as an organization/culture, and contemporary issues in education.

4. Reading: 3 semester hours.

NK-3 Developmental Reading.

3-6 Diagnostic or Content Area.

6-8 Reading in Content Area.

8-12 Adult Literacy or Content Area.

B. Supervised classroom experience.

The student teaching experience should provide for the prospective teacher to be in classrooms full-time for a minimum of 200 clock hours. At least 150 hours shall be in direct teaching activities (providing direct instruction) at the level of endorsement. If an NK-12 endorsement is sought, teaching activities must be at the elementary and middle or secondary levels. Individuals seeking the endorsement in library media must complete the supervised experience in a library media setting. Individuals seeking an endorsement in an area of special education must complete the supervised classroom experience requirement in the area of disability the endorsement is sought. Two years of successful full-time teaching experience in an appropriate area in any accredited public or nonpublic school may be accepted in lieu of the supervised teaching experience.

PART VII. TEACHING ENDORSEMENT AREAS.

§ 7.1. Adult education.

The applicant seeking an endorsement in adult education shall complete the following:

1. Hold a baccalaureate degree from an accredited college or university or hold a Collegiate Professional License;

2. Individuals not holding a Collegiate Professional License must satisfy the NTE requirement (three Core Battery tests);

3. 15 semester hours of course work distributed in the following areas:

a. The adult learner: 3 semester hours;

Experiences shall include the nature or psychology of the adult learner, or adult development.

b. Methods and materials: 3 semester hours;

Experiences shall include methods and materials for adult basic skills.

c. Reading for adults: 3 semester hours; and

d. Electives: 6 semester hours.

Experiences shall include course work selected from the following areas:

(1) Curriculum development in adult basic education or GED instruction;

(2) Beginning reading for adults;

(3) Reading comprehension for adult education;

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- (4) *Beginning mathematics for adults;*
- (5) *Foundations of adult education; and*
- (6) *Other adult basic skills instruction.*

5. *Teaching experience. All applicants shall complete one year of supervised successful full-time or an equivalent number of hours of part-time teaching of adults.*

§ 7.2. *Adult English as a second language.*

The applicant seeking an endorsement in adult English as a second language shall complete the following:

1. *Hold a baccalaureate degree from an accredited college or university or hold a Collegiate Professional License.*

2. *Individuals not holding a Collegiate Professional License must satisfy the NTE requirement (three Core Battery tests).*

3. *21 semester hours of course work distributed in the following areas:*

a. *Methods for Teaching ESL to Adults: 3 semester hours;*

b. *English Linguistics: 3 semester hours;*

c. *Cross-cultural education: 3 semester hours;*

d. *Modern foreign language: 3 semester hours; and*

e. *Electives: 6 semester hours:*

(1) *Cross-cultural communication;*

(2) *Second language acquisition;*

(3) *General linguistics;*

(4) *Teaching reading to adults;*

(5) *Adult ESL instruction;*

(6) *Adult ESL curriculum development.*

4. *Teaching experience. All applicants shall complete one year of supervised successful full-time or an equivalent number of hours of part-time teaching of adults.*

Individuals holding a Virginia Professional License with an endorsement in English as a Second Language NK-12 may add the Adult English as a Second Language endorsement by completing three semester hours of Methods of Teaching English as a Second Language to Adults.

§ 7.3. *Agriculture.*

The applicant seeking an endorsement in agricultural education shall have on-the-job experience in agribusiness and shall complete a minimum of 45 semester hours of course work in the following technical agriculture areas:

1. *Plant science: 3 semester hours.*

2. *Animal science: 3 semester hours.*

3. *Agricultural Mechanics: 3 semester hours.*

4. *Agricultural Economics and Management: 3 semester hours.*

5. *Microcomputers: 3 semester hours.*

Experiences shall include application in agriculture.

6. *Electives: 30 semester hours.*

Course work selected from areas 1-4 above.

§ 7.4. *Art.*

The applicant seeking endorsement in art shall complete a major in art, or the equivalent to a major in art, that includes a minimum of 36 semester hours of course work. Of these semester hours, a minimum of 9 semester hours must be in upper level courses.

1. *Two-dimensional media and concepts: 12 semester hours.*

Experiences shall include those basic and complex techniques and concepts in two dimensional design, drawing, painting, printmaking, and electronic imagery.

2. *Three-dimensional media and concepts: 12 semester hours.*

Experiences shall include basic and complex techniques and concepts in three-dimensional design, sculpture, ceramics, and crafts (such as fiber arts and jewelry making).

3. *History of art: 9 semester hours.*

Experiences shall include history of art, past and present, including aesthetics and criticism with emphasis on the relationship of art and culture.

4. *Related areas of art: 3 semester hours.*

Experiences may include related fields such as architecture, dance, music, theater, photography, and other communication arts.

§ 7.5. *Biology.*

The applicant seeking an endorsement in biology shall complete a major in biology, or the equivalent to a major in biology that includes a minimum of 44 semester hours of course work in the following areas:

1. Biology: 32 semester hours.

Experiences shall include zoology and botany.

2. Background requirements:

- a. General chemistry: 3 semester hours.
- b. Organic chemistry: 3 semester hours.

3. Mathematics: 6 semester hours.

Experiences shall include college algebra and statistics.

§ 7.6. Business education: accounting.

The applicant seeking an endorsement in accounting shall complete the following:

Accounting: 12 semester hours.

Experiences shall include principles of accounting.

§ 7.7. Business education: basic business.

The applicant seeking endorsement in basic business shall complete a minimum of 18 semester hours of course work in business principles and management which shall include a minimum of four areas selected from the following:

1. Business law;
2. Business principles;
3. Management;
4. Marketing;
5. Finance or business mathematics;
6. Insurance;
7. Policy;
8. Production; and
9. Economics.

§ 7.8. Business education: business.

The applicant seeking the comprehensive endorsement in business shall complete a minimum of 45 semester hours of course work in the following:

1. Accounting: 6 semester hours.

Experiences shall include principles of accounting.

2. Economics: 6 semester hours.

3. Business principles and management: 12 semester hours.

Experiences shall include a minimum of four selected from the following areas:

- a. Business law;
- b. Business principles;
- c. Management;
- d. Marketing;
- e. Finance or business mathematics;
- f. Insurance;
- g. Policy;
- h. Production; and
- i. Economics.

4. Administrative systems: 9 semester hours.

Experiences shall include instruction in office communications, office systems and procedures, computer applications, and software.

5. Information systems: 6 semester hours.

Experiences may include programming courses.

6. Keyboarding and word processing applications: 6 semester hours.

§ 7.9. Business education: keyboarding (add-on endorsement).

The applicant seeking an add-on endorsement in keyboarding shall complete the following:

1. An endorsement in a secondary or NK-12 subject area.
2. Keyboarding: 6 semester hours.

Experiences shall include keyboarding and word processing applications. Semester-hour requirements will be reduced when the applicant demonstrates previously acquired proficiency in typewriting by verifying successful completion of the most advanced course in typewriting offered by a college or university approved for the preparation of business

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education teachers.

§ 7.10. Chemistry.

The applicant seeking an endorsement in chemistry shall complete a major in chemistry or the equivalent to a major in chemistry that includes a minimum of 53 semester hours of course work in the following:

1. Chemistry: 32 semester hour.

Experiences shall include physical chemistry.

2. Background requirements:

a. Biology: 3 semester hours.

b. Physics: 6 semester hours.

c. Mathematics: 12 semester hours.

Experiences shall include calculus and statistics.

§ 7.11. Computer science.

The applicant seeking an endorsement in computer science shall complete a minimum of 15 semester hours of course work in the following:

1. Data structures or algorithm analysis: 3 semester hours.

2. Introduction to computer systems: 3 semester hours.

3. Application of computer technology: 3 semester hours.

4. Computer science: 6 semester hours.

Two sequential courses.

§ 7.12. Dance NK-12.

The applicant seeking an endorsement in dance NK-12 shall complete a minimum of 24 semester hours in the following areas:

1. Development of movement language: 12 semester hours.

a. Experiences shall include a course in each of the following dance areas for a total of six semester hours:

(1) Ballet;

(2) Folk;

(3) Jazz; and

(4) Modern.

b. Area of concentration. A minimum of 3 semester hours of course work beyond entry level in one of the following dance areas:

(1) Ballet;

(2) Folk;

(3) Jazz; and

(4) Modern.

c. A minimum of 3 semester hours to include:

(1) Composition;

(2) Improvisation; and

(3) Dance production.

May include: stage lighting, stage costuming, or stage makeup.

2. Scientific foundations: 9 semester hours. Must include each of the following areas:

a. Human anatomy;

b. Kinesiology; and

c. Injury prevention and care for dance—may include exercise physiology, athletic training, or injury prevention and care.

3. Cultural Understanding: 3 semester hours.

Must include history of dance.

§ 7.13. Dance NK-12 (add-on endorsement).

The applicant seeking an add-on endorsement in dance NK-12 shall complete the following for a total of 15 semester hours:

1. An endorsement in physical education.

2. Development of movement language: 12 semester hours.

a. Experiences shall include at least a course in each of the following dance areas for a total of 6 semester hours:

(1) Ballet;

(2) Folk;

(3) Jazz; and

(4) Modern.

b. Area of concentration. A minimum of 3 semester hours of course work beyond entry level in one of the following dance areas:

- (1) Ballet;
- (2) Folk;
- (3) Jazz; or
- (4) Modern.

c. Composition or improvisation. A minimum of 3 semester hours in one or more of the following:

- (1) Composition;
- (2) Improvisation; or
- (3) Dance production.

May include: stage lighting, stage costuming, or stage makeup.

3. Cultural understanding: 3 semester hours.

Must include history of dance.

§ 7.14. Driver education (add-on endorsement).

The applicant seeking an add-on endorsement in driver education shall complete the following:

1. An endorsement in a secondary or NK-12 subject area.
2. Basic laboratory driver education: 3 semester hours.

Experiences shall include both classroom instruction and supervised experience in actual practice driving (behind-the-wheel) instruction.

3. Methods of teaching driver education: 3 semester hours.

Experiences shall include supervised experiences in behind-the-wheel instruction, including emergency procedures (steering, off-road recovery, stopping distance, and reaction time).

§ 7.15. Early education NK-3.

The applicant seeking the Early Education NK-3 endorsement shall complete the following:

1. An interdisciplinary study consisting of 36 semester hours in courses composed of 12 hours each in three of the following areas:

- a. Arts and humanities: foreign language, fine arts, or philosophy/religion;

b. Social studies: psychology, sociology, anthropology, political science, history, economics, or geography;

c. Sciences: life sciences or physical sciences;

d. Mathematics and technology; or

e. Language arts.

2. Field Experiences: 400 clock hours, at least 300 hours of which shall be in direct teaching activities (providing direct instruction). Field work should include observation of young children and adults and varying degrees of participation with children and adults in early childhood settings. Student teaching should include seminar meetings, experience in working with parents, and experience in working with interdisciplinary teams of professionals. Applicants should have student teaching placements in two different grades (200 clock hours each), at least one of which is a pre-primary experience.

Individuals seeking an endorsement in both the early childhood and elementary areas must complete requisite course work in each concentration area. Four hundred clock hours in three placements (prekindergarten or kindergarten—200 hours, first or second grade—100 hours, and third, fourth or fifth grade—100 hours), with a minimum of 200 clock hours per endorsement, must be completed.

§ 7.16. Earth science.

The applicant seeking an endorsement in earth science shall complete an interdisciplinary earth science major that includes a minimum of 42 semester hours of course work in the following:

1. Earth science: 36 semester hours.

Experiences shall include a minimum of six semester hours each of geology, oceanography, meteorology, astronomy, and an elective of 3 semester hours.

2. Background requirements: Chemistry, physics, or biology: 6 semester hours.

At least one laboratory experience shall be included.

§ 7.17. Economics.

The applicant seeking an endorsement in economics shall complete the following requirements:

Economics: 30 semester hours. Experiences shall include consumer economics.

§ 7.18. Economics (add-on endorsement).

The applicant seeking an add-on endorsement in economics shall complete the following:

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1. An endorsement in history;

2. Economics: 12 semester hours;

Course work must be above the level of the original history endorsement.

3. Political science: 6 semester hours; and

4. Geography: 6 semester hours.

§ 7.19. Elementary grades 3-6.

An applicant seeking the Elementary Grades 3-6 endorsement shall complete the following:

1. Interdisciplinary study consisting of 36 semester hours in courses composed of 12 hours each in three of the following areas:

a. Arts and humanities: foreign language, fine arts, or philosophy/religion;

b. Social studies: psychology, sociology, anthropology, political science, history, economics, child development, or geography;

c. Sciences: life sciences or physical sciences;

d. Mathematics and technology;

e. English and language arts.

2. Field Experiences: 400 clock hours, at least 300 hours of which shall be in direct teaching activities (providing direct instruction). Field work should include observation of young children and adults in elementary settings. Student teaching should include seminar meetings, experience in working with parents, and experience in working with interdisciplinary teams of professionals.

Individuals seeking an endorsement in both the early childhood and elementary areas must complete requisite course work in each concentration area. Four hundred clock hours in three placements (prekindergarten or kindergarten—200 hours, first or second grade—100 hours, and third, fourth or fifth grade—100 hours), with a minimum of 200 clock hours per endorsement, must be completed.

§ 7.20. English.

The applicant seeking an endorsement in English shall complete a major or its equivalent in English, including a minimum of 33 semester hours in course work in addition to the general studies requirement.

1. Literature: 18 semester hours.

Course work from each of the following areas:

a. Survey of English literature;

b. Survey of American literature;

c. World literature;

d. Ethnic/minority literature;

e. Adolescent literature; and

f. Literary theory/criticism.

2. Language: 3 semester hours.

Experiences shall include the development and nature of English, including some attention to comparative English grammar.

3. Composition: 3 semester hours.

Experiences shall include the teaching of writing, based on current knowledge and most effective practices, including the use of computers for this purpose.

4. Oral Language: 3 semester hours.

Experiences shall include the teaching of oral language in groups, as well as attention to oral language as used in both formal and informal presentations.

5. Electives: 6 semester hours.

Course work selected from any of the four areas above.

§ 7.21. English as a second language (ESL).

The applicant seeking an endorsement in English as a second language shall complete a minimum of 24 semester hours of course work in the following:

1. Teaching of development reading: 3 semester hours.

2. English linguistics: 3 semester hours.

Experiences shall include phonology, morphology and syntax of English.

3. Cross-cultural education: 3 semester hours.

4. Modern foreign language: 6 semester hours.

If applicant's primary language is other than English, all 6 hours must be in English.

5. Electives: 6 semester hours.

Course work may be selected from any of the following topics:

- a. Second language acquisition;
- b. General linguistics;
- c. Applied linguistics;
- d. Psycholinguistics;
- e. Sociolinguistics;
- f. ESL assessment; or
- g. ESL curriculum development, including cross-cultural communication.

6. Methods for teaching ESL: 3 semester hours.

§ 7.22. Foreign language: modern (grades 6-12).

The applicant seeking an endorsement in a modern foreign language for Grades 6-12 shall complete a major or its equivalent in a modern foreign language, including a minimum of 30 semester hours of language course work above the intermediate level. Endorsement in a second foreign language endorsement may be obtained with 24 semester hours of course work above the intermediate level.

A. Option one.

First endorsement: 30 semester hours.

Experiences shall include course work in advanced grammar and composition, conversation, culture and civilization, and literature.

B. Option two.

Added endorsement in a second modern foreign language: 24 semester hours.

Experiences shall include course work in advanced grammar and composition, conversation, culture and civilization, and literature.

C. Option three.

Native speakers or applicants who have learned the foreign language by nonacademic means.

Native speakers or applicants who have learned a foreign language without formal academic credit in a college or university must:

1. Achieve a minimum score of 600 on the Test of English as a Foreign Language, if English is not the native language. Native speakers of English are exempt from this test.

2. Achieve a composite score at or above the 50th percentile on the listening, speaking, reading, writing,

civilization and culture sections of the Modern Language Association Proficiency Test for Teachers and Advanced Students. No individual section score shall be below the 25th percentile.

3. Present three semester hours of methods of teaching foreign languages from an accredited college or university in the United States.

§ 7.23. Foreign languages in elementary schools grades NK-6 (FLES) (add-on endorsement).

The applicant seeking endorsement in a modern foreign language for Grades NK-6 shall satisfy all endorsement requirements for Grades 6-12 and shall meet the specific requirements for immersion or FLES programs noted below:

A. Option one; immersion programs.

The applicant must have native or near-native proficiency in the target language and meet all requirements for an elementary teaching endorsement.

1. Achieve a minimum score of 600 on the Test of English as a Foreign Language, if English is not the native language. Native speakers of English are exempt from this test.

2. Achieve a composite score at or above the 50th percentile on the listening, speaking, reading, writing, civilization and culture sections of the Modern Language Association Proficiency Test for Teachers and Advanced Students. No individual section score shall be below the 25th percentile.

B. Option two; nonimmersion (FLES): 3 semester hours.

Experiences shall include course work in elementary teaching methods.

§ 7.24. Foreign language: Latin.

The applicant seeking an endorsement in Latin shall complete a major or its equivalent in Latin, including a minimum of 24 semester hours of Latin course work above the intermediate level.

A. Option one - Latin grades 6-12.

First endorsement: 24 semester hours.

Experiences may include up to 6 semester hours of Roman history, Roman life, mythology, or archaeology.

B. Option two - Latin grades 6-12.

Endorsement added to a modern foreign language: 15 semester hours.

Experiences may include up to 3 semester hours of

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Roman history, Roman life, mythology, or archaeology.

C. Option three - Latin NK-12.

The applicant seeking an endorsement in Latin for Grades NK-6 shall:

1. Hold an endorsement in Latin 6-12.
2. Elementary teaching methods: 3 semester hours.

§ 7.25. General mathematics.

The applicant seeking endorsement in general mathematics (including general, consumer and applications of mathematics) shall complete a minimum of 18 semester hours of course work which includes the following:

1. Algebra;
2. Geometry;
3. Probability and statistics;
4. Applied mathematics; and
5. Computer science.

§ 7.26. Geography.

The applicant seeking an endorsement in geography shall complete a minimum of 36 semester hours of course experiences which include the following:

1. Geography: 30 semester hours.

Experiences shall include physical, cultural, or historical geography.

2. Economics: 6 semester hours.

Must include experiences in consumer economics.

§ 7.27. Geography (add-on endorsement).

The applicant seeking an add-on endorsement in geography shall complete the following:

1. An endorsement in history.
2. Economics: 6 semester hours.
3. Geography: 12 semester hours.

Experiences shall include physical, cultural or historical geography.

§ 7.28. Gifted education (add-on endorsement).

The applicant seeking an endorsement in gifted education shall complete the following:

1. An endorsement in an elementary, middle, secondary, or NK-12 subject.

2. 12 semester hours of graduate-level course work in gifted education to include each of the following areas:

- a. Integration of the gifted student into the total school environment;
- b. Characteristics of gifted students;
- c. Specific techniques of identifying gifted, and diagnostic and prescriptive approaches to instruction;
- d. Educational models, teaching methods and strategies, selection of resources and materials;
- e. Curriculum development and program evaluation;
- f. Contemporary issues and research in gifted education; and
- g. Practicum experience in gifted education.

§ 7.29. Health NK-12.

The applicant seeking an endorsement in health education NK-12 shall complete a minimum of 33 semester hours of course work distributed in the following:

1. Scientific background: 12 semester hours.

Human anatomy and physiology, biology, chemistry, and microbiology.

2. Behavior or social science: 6 semester hours.

Sociology/philosophy of man.

3. Health education: 3 semester hours.

Administration of the health program including health instruction, health services, healthy school environment, evaluation and health counseling, and school-community relationships related to health.

4. Basic health content: 12 semester hours.

Personal and community problems, including drugs, smoking, nutrition, fitness, consumer health, environmental health, health careers, disease prevention, safety, first aid, CPR, Heimlich Maneuver, mental and emotional health, and family life education.

§ 7.30. Health education NK-12 (add-on endorsement).

The applicant seeking an add-on endorsement in health NK-12 shall complete the following:

1. An endorsement in physical education.
2. Basic health content: 12 semester hours.

Personal and community problems, including drugs, smoking, nutrition, fitness, consumer health, environmental health, health careers, disease prevention, safety, first aid, CPR, Heimlich Maneuver, mental and emotional health, and family life education.

3. Methods of teaching health: 3 semester hours.

§ 7.31. Health occupations.

The applicant seeking an endorsement in health occupations education must complete the requirements in one of the following options:

A. Option one (Collegiate Professional License).

1. Hold a baccalaureate degree from an approved program of study preparing health care professionals;
2. Be licensed or certified as a professional practitioner in the area in which one is to be teaching;
3. Completed two years of occupational experience in an area related to the program to be taught; and
4. Complete a minimum of 12 semester hours of college credit in the specialized vocational education courses listed below. The courses may be completed under a Provisional License if the individual is employed as a teacher in a public or nonpublic school in Virginia.

- a. Teaching methods;
- b. Curriculum development; and
- c. Program management.

B. Option two (Technical Professional License).

1. Be licensed or certified as a professional practitioner in the area in which one is to be teaching;
2. Completed two years of occupational experience in an area related to the program to be taught;
3. Completed a health occupations program equivalent to a two-year associate degree program; and
4. Complete a minimum of 12 semester hours of college credit in the specialized vocational education courses listed below. The course work may be taken under a provisional license if the individual is employed as a teacher in a Virginia public or

nonpublic school.

- a. Teaching methods;
- b. Curriculum development; and
- c. Program management.

§ 7.32. History.

The applicant seeking an endorsement in history shall complete a minimum of 36 semester hours of course work in the following:

1. History: 30 semester hours.

Experiences shall include Virginia and American history, world history, English history, and at least one of the following: ancient history, European history, nonwestern history, or contemporary affairs.

2. Economics: 6 semester hours.

TO OBTAIN INFORMATION REGARDING THE REQUIREMENTS TO ADD ENDORSEMENTS IN ECONOMICS, GEOGRAPHY, AND POLITICAL SCIENCE TO THE HISTORY ENDORSEMENT, REFER TO THESE AREAS LISTED ALPHABETICALLY IN THIS DOCUMENT.

§ 7.33. Home economics: consumer and homemaking.

The applicant seeking an endorsement in consumer and homemaking shall complete a minimum of 36 semester hours of course work in the following:

1. The development of the individual and the family: 9 semester hours.
2. Management, family finance, and consumer economics: 6 semester hours.
3. Food and nutrition: 6 semester hours.
4. Housing, home furnishings, and equipment: 6 semester hours.
5. Clothing and textiles: 3 semester hours.
6. Electives: 6 semester hours.

Course work selected from areas 1-5.

§ 7.34. Industrial cooperative training (add-on endorsement).

The applicant seeking an add-on endorsement in industrial cooperative training (ICT) shall complete the following:

1. A Virginia Collegiate Professional or Postgraduate

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Professional License.

Experiences shall include a minimum of two years of successful full-time teaching experience.

2. Trade and industrial education: 15 semester hours.

Experiences shall include each of the following areas:

- a. Administration and coordination of ICT;
- b. Methods and development of related instructional materials for ICT;
- c. Vocational student organizations;
- d. Implementation of a competency based (CBE) curriculum; and
- e. Development and utilization of directly related occupational materials;

3. Occupational experience: 4,000 clock hours.

Experiences shall include a minimum of 4,000 clock hours, or two years, of acceptable employment in the trade, technical, or industrial field in the last 10 years.

§ 7.35. Journalism.

The applicant seeking an endorsement in journalism shall complete the following:

Journalism: 24 semester hours.

§ 7.36. Journalism (add-on endorsement).

The applicant seeking an add-on endorsement in journalism shall complete the following:

1. An endorsement in any area.
2. Journalism: 15 semester hours.

§ 7.37. Library media NK-12.

The applicant seeking an endorsement in library media NK-12 shall complete a minimum of 24 semester hours which includes the following:

1. Professionalism. Experiences shall include the philosophy and objectives of the school library and its increased responsibilities for new services; past and present role of the library media center in the school and the relationship of the school library to all types of libraries, information agencies, and appropriate local, state regional, and national professional organizations and publications.
2. Communication. Experiences shall include

techniques to interpersonal skills needed to communicate effectively with students, staff, administration and the general public.

3. Collection management. Experiences shall include the application of basic principles critical to the evaluation, selection, and weeding of appropriate media resources, and the acquisition of new and traditional technologies.

4. Organization. Experiences shall include the description, classification, and subject assignment of materials, and management and automation of library technical operations.

5. Administration. Experiences shall include the identification, evaluation, planning, and management of a school library media program.

6. Instructional leadership. Experiences shall include history, development, and content of children's and young adult's media; evaluation, selection, and utilization of media and instructional equipment for children and young adults; teaching of media, reference, research, and production skills to enable student use of resources; provision of reference, referral and retrieval services; reading, listening, and viewing guidance; and the role of the library media specialist as a teacher, information specialist, and instructional consultant.

7. Access. Experience shall include the physical access, intellectual freedom, privacy and the rights of the school library media center users, and the use of computer networks for accessing resources within and outside the school.

8. Design and production. Experiences shall include the design and production of resources to use in the teaching/learning process.

§ 7.38. Marketing.

The applicant seeking an endorsement in marketing shall complete a major in marketing education or the equivalent to a major in marketing education which includes a minimum of 30 semester hours in the following:

1. The marketing process: 3 semester hours.
2. Economics: 3 semester hours.
3. Specific technical areas: 9 semester hours.

Experiences shall include a minimum of three areas selected from the following:

- a. Personnel;
- b. Sales process;

- c. Merchandising;
- d. Product/service technology;
- e. Operations and organization; or
- f. Promotion.

4. Electives: 15 semester hours.

5. Occupational experiences: 1,000 clock hours. Experiences shall include a minimum of 1,000 clock hours in a marketing occupation within the last five years, 500 hours of which must have been university-supervised at an approved marketing education program, or the applicant whose baccalaureate degree is in an area other than marketing education must complete a minimum 4,000 clock-hour occupational experience within the last five years in one or more marketing occupations in addition to requirements 1-4 above.

§ 7.39. Mathematics.

The applicant seeking an endorsement in mathematics shall complete a minimum of 36 semester hours of course work in the following:

1. Algebra. Experiences should include linear and abstract algebra;
2. Geometry. Experiences should include Euclidean and other geometries;
3. Probability and statistics;
4. Applied mathematics;
5. Computer science and computer programming; and
6. Calculus. Experiences should include basic through multivariate calculus.

§ 7.40. Middle education grades 6-8.

An applicant seeking the Middle Education 6-8 endorsement shall complete the following:

1. Interdisciplinary study consisting of 18 semester hours in at least two of the following concentration areas:
 - a. English and language arts. A minimum of 18 semester hours. The combination of the two must include course work in: language (history, structure, or grammar), literature, adolescent literature, advanced composition, and interpersonal communication or speech.
 - b. Social studies. A minimum of 18 semester hours. The combination of the two must include course

work in: American history, world history, basic economics, geography, and international affairs. c. Mathematics and technology.

A minimum of 18 semester hours. The combination of the two must include course work in: algebra, geometry, probability and statistics, computer science, and applications of mathematics.

d. Science. A minimum of 18 semester hours. The combination of the two must include a minimum of two courses in each of the following: biology, chemistry, physics, and earth and space science. A laboratory course is required in each of the four areas.

§ 7.41. Music-choral grades NK-12.

The applicant seeking an endorsement in music-choral shall complete a minimum of 42 semester hours of course work in the following:

1. Basic music knowledge: 18 semester hours.

Experiences shall be related to music theory, music history, and literature.

2. Musical performance: 18 semester hours.

Experiences shall consist of developing competency in a primary and secondary medium, selected from voice or keyboard, and in teaching, rehearsing, and conducting ensembles.

3. Electives: 6 semester hours.

Course work selected from either of the two areas above.

§ 7.42. Music-instrumental grades NK-12.

The applicant seeking an endorsement in music-instrumental shall complete a minimum of 42 semester hours of course work in the following:

1. Basic music knowledge: 18 semester hours.

Experiences shall be related to music theory, music history, and literature.

2. Musical performance: 18 semester hours.

Experiences shall consist of developing competency in a primary performance medium (band or orchestral instrument), and in a secondary performance medium (band, orchestral, or keyboard instrument), and in teaching, rehearsing, and conducting ensembles.

3. Electives: 6 semester hours.

Course work selected from either of the two areas

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above.

§ 7.43. Physical education NK-12.

The applicant seeking an endorsement in physical education NK-12 shall complete a minimum of 33 semester hours in the following:

1. Scientific background: 9 semester hours. Must include human anatomy, physiology, and kinesiology.

2. General theory in physical education: 9 semester hours.

History and principles of physical education, administration of physical education, motor learning/development, adapted physical education, and measurement and evaluation in physical education.

3. Health and safety, personal health: 6 semester hours.

First aid, CPR, Heimlich Maneuver, and safety. Personal health and lifestyle choices.

4. Physical education activities: 6 semester hours.

Movement education, individual and dual sports, games, rhythms and dance, tumbling, gymnastics, and outdoor education are optional.

5. Electives: 3 semester hours.

Course work selected from areas 1 through 4.

§ 7.44. Physical education NK-12 (add-on endorsement).

The applicant seeking an add-on endorsement in physical education NK-12 shall complete the following:

1. An endorsement in health education.

2. General theory in physical education: 6 semester hours.

History and principles of physical education, administration of physical education, motor learning/development, adapted physical education, and measurement and evaluation in physical education.

3. Physical education activities: 6 semester hours.

Movement education, individual and dual sports, games, rhythms and dance, tumbling, gymnastics, and outdoor education are optional.

4. Kinesiology: 3 semester hours.

§ 7.45. Physics.

The applicant seeking an endorsement in physics shall

complete a major in physics or the equivalent to a major in physics that includes a minimum of 53 semester hours of course work in the following:

1. Physics: 32 semester hours.

2. Background requirements.

a. Chemistry: 6 semester hours.

b. Biology: 3 semester hours.

c. Mathematics: 12 semester hours.

Experiences shall include calculus and statistics.

§ 7.46. Political science.

The applicant seeking an endorsement in political science shall complete a minimum of 36 semester hours in the following:

1. Political science: 24 semester hours.

2. Economics: 6 semester hours.

Must include experiences in consumer economics.

3. History or geography or both: 6 semester hours.

§ 7.47. Political science (add-on endorsement).

The applicant seeking an endorsement in political science shall complete the following:

1. An endorsement in history.

2. Economics: 6 semester hours.

Experiences shall include consumer economics.

3. Political science: 12 semester hours.

Experiences shall include American government and comparative government.

4. Geography: 6 semester hours.

Experiences shall include physical, cultural, or historical geography.

§ 7.48. Psychology.

The applicant seeking an endorsement in psychology shall complete the following:

Psychology: 30 semester hours.

§ 7.49. Sociology and cultural anthropology.

The applicant seeking an endorsement in sociology and

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cultural anthropology shall complete a minimum of 30 semester hours in the following:

Sociology and cultural anthropology: 30 semester hours.

§ 7.50. Special education: early childhood special education.

The applicant seeking an endorsement in early childhood special education shall complete a minimum of 27 semester hours of upper-level or graduate course work to include each of the following:

1. Foundations. Experiences shall include an overview of early childhood special education and the nature and characteristics of major disabling and at-risk conditions.
2. Assessment. Experiences shall include knowledge in the selection, administration, and interpretation of formal and informal assessment techniques for young children with disabling and at-risk conditions.
3. Instructional programming. Methods for providing early intervention to include service delivery options, development of individualized education programs (IEPs) and individualized family service plans (IFSPs) and curriculum development and implementation to ensure developmentally appropriate intervention techniques in the areas of self-help, motor, cognitive, social/emotional, and language.
4. Speech and language development. Experiences shall include the effects of disabling and at-risk conditions on the speech and language development of young children.
5. Medical aspects. Experiences shall include the medical aspects of young children with disabling and at-risk conditions and the management of neurodevelopmental and motor disabilities.
6. Behavior management. Experiences shall include individual and group management using a variety of techniques.
7. Consultation. Experiences shall include communication, collaboration, and consultation techniques to work with children, educators, families, and other human service professionals.
8. Child growth and development. Experiences shall include normal child growth and development from birth through age eight.
9. Theories and techniques of early-centered intervention.

§ 7.51. Special education: emotional disturbance grades NK-12.

The applicant seeking an endorsement in emotional disturbance shall complete 27 semester hours of course work to include each of the following:

1. Characteristics of individuals with emotional disturbances. Concepts, theories and characteristics of individuals with disabilities and persons with emotional disturbance, including an examination of the impact of the disability on the individual and family, diverse socio-cultural influences, and health aspects.
2. Psychoeducational assessment. Educational, academic, and behavioral diagnosis and assessment of individuals with emotional disturbance.
3. Instructional programming for individuals with emotional disturbances. Instructional programming for students with disabilities and modifications of curriculum to facilitate integration of students with emotional disturbance into the continuum of programs and services.
4. Language development. Speech and language development and the effects of disabling conditions and cultural diversity on language development.
5. Research. Research and technology trends and legal aspects in special education.
6. Behavior management. Specific techniques of behavior management with emphasis on crisis intervention.
7. Career education. Career, transition, and vocational programming for individuals with disabilities in society.
8. Consultation. Collaborative consultation techniques to work with teachers, parents, paraprofessionals and other professionals.

§ 7.52. Special education: hearing impairment grades NK-12.

The applicant seeking an endorsement in hearing impairment shall complete a minimum of 27 semester hours of course work to include each of the following:

1. Characteristics of individuals with hearing impairments. Experiences shall include socio-cultural aspects, effects of diverse socio-cultural influences, and health-related aspects, and foundations of education and culture of persons with hearing impairments.
2. Psychoeducational assessment. Experiences shall include psychoeducational assessment of disabled persons, including individuals who are hearing impaired.
3. Instructional programming. Experiences shall include methods and procedures for teaching persons

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with hearing impairments, including instructional programming and modifications of curriculum to facilitate integration of students with disabilities into the continuum of programs and services.

4. *Speech and language development.* Experiences shall include the effects of hearing impairments and cultural diversity on language development.

5. *Research.* Experiences shall include research and technology trends and legal aspects in special education.

6. *Behavioral management.* Experiences shall include individual and group behavior management techniques.

7. *Career education.* Experiences shall include career and vocational aspects of individuals with disabilities, including persons with hearing impairments, in society.

8. *Consultation.* Experiences shall include consultation techniques to work with parents and other professionals.

9. *Speech and hearing science.*

10. *Audiology.* Experiences shall include individual and group amplification systems with emphasis upon classroom utilization.

11. *Communication modalities.* Experiences shall include sign language.

§ 7.53. Special education: mental retardation grades NK-12.

The applicant seeking an endorsement in mental retardation shall complete a minimum of 21 semester hours of course work to include each of the following:

1. *Characteristics of individuals with mental retardation.* Experiences shall include socio-cultural aspects, effects of diverse socio-cultural influences, health-related aspects, and characteristics of individuals who are mentally retarded.

2. *Psychoeducational assessment.* Experiences shall include psychoeducational assessment and its interpretation for students who are mentally retarded.

3. *Instructional programming.* Experiences shall include instructional programming for students with disabilities and modifications of curriculum to facilitate integration of students who are disabled into the continuum of programs and services.

4. *Language development.* Experiences shall include the effects of disabling conditions and cultural diversity on typical language development.

5. *Research.* Experiences shall include research and technology trends and legal aspects in special

education.

6. *Behavior management.* Experiences shall include individual and group behavior management techniques.

7. *Career education.* Experiences shall include career and vocational exploration, as well as leisure and social skills training, for the mentally retarded.

8. *Consultation.* Experiences shall include consultation techniques to work with parents and other professionals.

§ 7.54. Special education: severe disabilities grades NK-12.

The applicant seeking an endorsement in severe disabilities shall complete 27 semester hours of course work to include each of the following:

1. *Characteristics of individuals with severe disabilities.* Characteristics of individuals with disabilities, including socio-cultural aspects, effects of diverse socio-cultural influences, health related aspects, and characteristics of students with severe disabilities, including medical aspects and their implications for instruction.

2. *Psychoeducational assessment.* Appropriate procedures and instruments used to identify students with severe disabilities and evaluate their progress.

3. *Instructional programming.* Philosophy and methods of best practice to educate students with severe disabilities with their nondisabled, age appropriate peers.

4. *Speech and language development.* Language development and the effects of disabling conditions and cultural diversity on typical language development, including communication development (e.g., nonverbal systems and electronic communication devices).

5. *Research.* Research and technology trends and legal aspects in special education.

6. *Methods for teaching individuals with severe disabilities.* Methods for teaching individuals with severe disabilities, including self-care, social and leisure skills development, and occupational and physical therapy techniques with application for use with students with severe disabilities.

7. *Behavior management.* Advanced techniques of behavior management.

8. *Career education.* Vocational factors in the education and training of students with severe disabilities.

9. *Consultation.* Consultation techniques to work with parents, and other professionals.

§ 7.55. *Special education: specific learning disabilities grades NK-12.*

The applicant seeking an endorsement in specific learning disabilities grades NK-12 shall complete 27 semester hours of course work to include each of the following:

1. Characteristics of individuals with specific learning disabilities. Concepts, theories and characteristics of disabled individuals and persons with specific learning disabilities, including socio-cultural aspects, effects of diverse socio-cultural influences, and health aspects with a focus on children at the elementary level.
2. Psychoeducational assessment. Educational diagnosis and assessment of individuals with specific learning disabilities with a focus on the developmental level of children.
3. Instructional programming for specifically learning disabled. Instructional programming for disabled students and modifications of curriculum to facilitate integration of learning disabled students into the continuum of programs and services.
4. Language development. Language development and the effects of disabling conditions and cultural diversity on typical language development.
5. Research. Current research and technology trends and legal aspects in special education.
6. Behavior management for specifically learning disabled. Individual and group behavior management techniques.
7. Career education. Career and vocational aspects of disabled individuals in society.
8. Consultation. Collaborative consultation techniques to work with parents, teachers, and other professionals.

§ 7.56. *Special education: speech/language disorders grades NK-12.*

The applicant seeking an endorsement in Speech/Language Disorders shall complete the requirements through one of the following options:

A. Option one.

1. An earned master's degree in speech-language pathology from an accredited institution.
2. Complete 60 semester hours of course work, 30 semester hours of which must be earned at the graduate level and shall include:
 - a. 12 semester hours of course work providing fundamental knowledge of anatomy and physiology

of speech and auditory mechanisms and the normal development and the use of speech, voice, hearing, and language.

b. 24 semester hours of course work to include each of the following:

- (1) Current principles, procedures, techniques, and instruments used in evaluating speech, language, voice, and hearing;
- (2) Various types of disorders of speech, language, voice and hearing classifications, causes and manifestations;
- (3) Principles, remedial procedures and instrumentation used in the habilitation, prevention and rehabilitation of disorders of articulation, language, fluency, voice and resonance;
- (4) Relationships among speech, language, voice and hearing problems, especially multiply disabling conditions;
- (5) The evaluation and treatment of disorders of the oral and pharyngeal mechanisms as they relate to communication, including but not limited to dysphagia.
- (6) The use of alternative communication devices and appliances facilitating communication;
- (7) Organization and administration of public school programs designed to provide direct service for speech/language impaired persons;
- (8) Services available from related fields for those with disorder of communication;
- (9) Effective use of information obtained from related disciplines about the sensory, physical, emotional, social, or intellectual status of a child or an adult, including psychoeducational assessment.
- (10) Research, trends and legal issues in the field of special education.

c. 6 semester hours in audiology, to include hearing measurement, aural rehabilitation, and manual communication.

d. A maximum of 3 semester hours of credit in courses for thesis or dissertation.

e. A minimum of 300 clock hours of direct client contact, of which 100 shall be in a supervised educational setting. This experience must have been sponsored by the college or university attended and shall include no more than six semester hours. A minimum of 200 clock hours must be in speech-language pathology. These 300 clinical clock

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hours shall be appropriately distributed in each of the following areas:

- (1) Diagnosis (evaluation of speech and language).
- (2) Management of language disorders.
- (3) Management of voice disorders.
- (4) Management of articulation disorders.
- (5) Management of fluency disorders.
- (6) Audiology (measurement of hearing and aural rehabilitation).

B. Option two.

1. A current license in speech pathology issued by the Virginia Board of Audiology and Speech Pathology.
2. Course work which includes the following:
 - a. Psychoeducational assessment;
 - b. Manual communication; and
 - c. Research trends and legal issues in the field of special education.

§ 7.57. Special education: visual impairment grades NK-12.

The applicant seeking an endorsement in Visual Impairment shall complete 27 semester hours of course work to include each of the following:

1. Characteristics of individuals with visual impairments. Experiences shall include characteristics of individuals with disabilities, and impact of visual impairment on infant and children's growth and development, and on child and adolescent psycho-social development including family interaction patterns.
2. Assessment for visual impairment. Experiences shall include low vision practices and procedures, to include assessment and instructional programming for functional vision.
3. Language development. Experiences shall include language development and the effects of disabling conditions and cultural diversity on language development.
4. Research. Experiences shall include current research and technology trends and legal aspects in special education, including national, state and community resources for students who are blind and skill in using technological devices and equipment.
5. Daily living skills. Experiences shall include social

and recreational skills and resources for individuals who are blind to include methods and materials for assessing and teaching activities of daily living.

6. Braille reading and writing. Experiences shall include teaching reading and writing of grade 2 Braille on both a Braille writer and a "slate and stylus," and knowledge of other codes to include Nemeth, music code, computer Braille.

7. Behavior management. Experiences shall include individual and group behavior management techniques.

8. Career education. Experiences shall include career/vocational and transition programming for individuals who are disabled in society, including knowledge of careers, vocational opportunities, and transition from school to work.

9. Consultation. Experiences shall include consultation techniques to work with parents, and other professionals.

10. Anatomy, physiology, and diseases of the eye. Experiences shall include anatomy, physiology, and diseases of the eye and the educational implications.

§ 7.58. Speech communication.

The applicant seeking an endorsement in speech communications shall complete the following:

Speech Communication: 24 semester hours.

Including competencies in analytical, organizational, vocal, physical, and social skills.

§ 7.59. Speech communication (add-on endorsement).

The applicant seeking an add-on endorsement in speech communication shall complete the following:

1. An endorsement in any area.
2. Speech communication: 15 semester hours.

Including competencies in analytical, organizational, vocal, physical, and social skills.

§ 7.60. Technology education.

The applicant seeking an endorsement in technology education shall complete a minimum of 39 semester hours in the following:

1. Technology and culture: 6 semester hours.

Experiences shall include the historical development of technology and its present and future impact on the individual, society and environment.

2. Technological foundations: 12 semester hours.

Experiences shall include drafting, electronics, materials science and energy, and power.

3. Technological processes: 12 semester hours.

Experiences shall include material processes, manufacturing, constructing, designing, and graphic communications.

4. Technological systems: 9 semester hours.

Experiences shall include communication, production, and transportation.

§ 7.61. Theater arts.

The applicant seeking an endorsement in theater arts shall complete the following:

Theater arts: 24 semester hours.

§ 7.62. Theater arts (add-on endorsement).

The applicant seeking an add-on endorsement in theater arts shall complete the following:

1. An endorsement in any area.
2. Theater arts: 15 semester hours.

§ 7.63. Trade and industrial education.

The applicant seeking an endorsement in trade and industrial education shall meet the requirements through one of the following options:

A. Option one – Approved Program (Collegiate Professional License).

A baccalaureate degree in an approved vocational industrial education or trade and industrial education program from a regionally accredited institution.

B. Option two (Collegiate Professional License). An applicant who has earned a baccalaureate degree in a technical field related to a trade and industrial area must complete the following:

1. National Occupational Competency Test.

Occupational competency shall be demonstrated by an acceptable score on the appropriate National Occupational Competency Testing Institute Test (NOCTI) or the equivalent, or through current state licensure.

2. Occupational Experience Requirements.

- a. Candidates shall be required to provide evidence

of two years or 4,000 hours of satisfactory occupational experience beyond the learning period, at the journeyman level of the trade or occupation, or at an equivalent level in the occupation during the last five years (not applicable to Trade and Industrial Education candidates). Experience shall be related to the teaching specialty or the area of endorsement.

b. If the candidate's occupational experience has not been within the last five years, the candidate must participate in a supervised technical update related to the teaching specialty or area of endorsement or complete a supervised internship of work experience of not less than six weeks related to the area of endorsement or teaching specialty.

3. New teacher orientation. An orientation workshop.

4. Specialized professional studies core: 9 semester hours.

The professional studies core, which may be completed under a Provisional License, shall consist of course work in the following vocation industrial education course areas:

- a. Teaching strategies: 3 semester hours.
- b. Curriculum design and development: 3 semester hours.
- c. Program/classroom/laboratory management: 3 semester hours:

C. Option three (Technical Professional License).

An applicant who has not earned a baccalaureate degree in a trade and industrial education area must complete the following requirements:

1. Basic academic skills test. An acceptable score on the Pre-Professional Skills Test (PPST) shall be required of all teaching candidates that do not have at least an associate's degree.

2. National Occupational Competency Test. Occupational competency shall be demonstrated by an acceptable score on the appropriate National Occupational Competency Testing Institute Test (NOCTI) or the equivalent, or through current state licensure.

3. Occupational Experience Requirements.

- a. Candidates shall be required to provide evidence of two years or 4,000 hours of satisfactory occupational experience beyond the learning period, at the journeyman level of the trade or occupation, or an equivalent level in the occupation during the last five years). Experience shall be related to the

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teaching specialty or the area of endorsement.

b. If the candidate's occupational experience has not been within the last five years, the candidate must participate in a supervised technical update related to the teaching specialty or area of endorsement or complete a supervised internship of work experience of not less than six weeks related to the area of endorsement or teaching specialty.

4. New teacher orientation. An orientation workshop.

5. Specialized professional studies core: 9 semester hours.

The specialized professional studies core, which may be completed under a provisional license, shall consist of course work in the following vocation industrial education course areas:

- a. Teaching strategies: 3 semester hours.
- b. Curriculum design and development: 3 semester hours.
- c. Program/classroom/laboratory management: 3 semester hours:

§ 7.64. Trade and industrial education (add-on endorsement).

An applicant seeking an add-on endorsement in trade and industrial education shall complete the following:

1. Collegiate Professional or Postgraduate Professional License with a nonvocational endorsement.
2. Verification of demonstrated competency in the trade or technology to be taught. Verification shall be presented, prior to any teaching assignments, in one of the following ways:
 - a. Satisfactory score on the National Occupational Competency Test (NOCTI) for the occupation, and two years of satisfactory full-time employment experience at the journeyman level or an equivalent level in the occupation within the last five years.
 - b. Hold licensure for the trade or industrial area that requires a license; and complete two years of satisfactory full-time employment experience at the journeyman level or an equivalent level in the occupation within the last five years.
3. Completion of a minimum of 9 semester hours of course work selected at least three of the following specialized vocational industrial education areas:
 - a. Teaching methods;
 - b. Curriculum;

c. Laboratory/shop management; or

d. Vocational student organizations.

PART VIII SUPPORT PERSONNEL.

§ 8.1. Division superintendent license.

An individual may be a candidate for the Eligibility List of Division Superintendents and the renewable division superintendent license through the completion of the requirements in one of the following three options.

A. Option one.

1. Hold an earned doctorate degree in educational administration or educational leadership from an accredited institution.
2. Completed five years of educational experience in a public or accredited nonpublic school, two of which must be teaching experience at the NK-12 level and two of which must be in administration/supervision at the NK-12 level.

B. Option two.

1. Hold an earned master's degree from an accredited institution plus completed 30 graduate hours beyond the master's degree.
2. Completed requirements for principal endorsement which includes the demonstration of competencies in the following areas:
 - a. Leadership skills;
 - b. Development and management of budgets;
 - c. Knowledge of school law;
 - d. Human relations skills;
 - e. Supervision of instruction skills;
 - f. Personnel management and development;
 - g. Public relations skills; and
 - h. Decision making skills.
3. Completed five years of educational experience in a public or accredited nonpublic school, two of which must be teaching experience at the NK-12 level and two of which must be in administration/supervision.

C. Option three.

1. Hold an earned master's degree from an accredited institution.

2. Hold a current, valid out-of-state license with an endorsement as a division superintendent.

3. Completed five years of educational experience in a public or accredited nonpublic school, two of which must be teaching experience at the NK-12 level and two of which must be in administration/supervision.

§ 8.2. Guidance counselor (elementary, middle, and secondary).

The applicant seeking an endorsement in guidance shall complete the following:

1. An earned master's degree from an approved program in school counseling or a master's degree from an accredited college or university and completed an approved school guidance and counseling program.

2. Two years of successful full-time teaching experience or two years of successful experience in guidance and counseling. (Two years of successful, full-time experience in guidance and counseling under a two-year Provisional License may be accepted to meet this requirement.)

3. 39 semester hours of graduate course work to include each of the following areas:

- a. Human growth and development.
- b. Social and cultural foundations.
- c. Counseling relationships (individual, group, and family).
- d. Lifespan career development.
- e. Appraisal.
- f. Research and evaluation.
- g. Professional orientation.
- h. Specialization studies in school counseling (school environment and program development K-12).
- i. Internship in guidance and counseling: 200 clock hours in an educational setting at the level of endorsement. To add an endorsement at another level requires a 200-clock-hour internship in an educational setting or one year of successful service as a school guidance counselor at the level seeking endorsement.

§ 8.3. Instructional and supervisory personnel.

A. The applicant seeking an endorsement in an instructional and supervisory personnel area shall complete the following:

1. An earned master's degree;

2. Possess leadership qualities and personal characteristics attested to by a division superintendent of schools, by the chief administrative officer of a private school, or by an official in an institution of higher learning who is in a position to evaluate the applicant's qualifications;

3. A minimum of 2 semester hours of graduate level course work in each of the following areas:

- a. Supervision and evaluation of instructional programs;
- b. Social psychology of organizations;
- c. Curriculum development;
- d. School administration;
- e. Learning theory;
- f. Child growth and development (birth through adolescence); and
- g. School law, if special education is the area to be supervised, school law shall include special education law.

B. Applicants seeking an endorsement as instructional supervisor or supervisor endorsements in a specialized area or level shall complete the following requirements:

1. A minimum of three years of successful, full-time experience as a teacher or school professional certified in the area of specialization;
2. Recent successful experience as a teacher, administrator, supervisor, or school professional in the area and level endorsement sought;
3. Endorsed in the specialization or teaching area within that level;
4. Applicants seeking the general supervisor, director of instruction, or assistant superintendent for instruction endorsements shall complete the following requirements:
 - a. A minimum of three years of recent successful experience as a teacher, administrator, supervisor, or school professional; and
 - b. Formal graduate work in curriculum in at least two levels (elementary, middle, and secondary).

§ 8.4. Reading specialist.

The applicant seeking an endorsement as reading specialist shall have: (i) at least three years of successful

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classroom teaching experience in which the teaching of reading was an important responsibility, (ii) a planned graduate level program in reading that includes course experiences of a minimum of 30 semester hours in the following:

1. 18 semester hours of graduate course work in the following:

- a. Foundations or survey of reading instruction;
- b. Language development;
- c. Reading in the content areas;
- d. Organization and supervision of reading program development;
- e. Diagnosis and remediation of reading difficulties; and
- f. Practicum in the diagnosis and remediation of reading difficulties.

2. 12 semester hours of graduate or undergraduate course work selected from any of the following areas:

- a. Measurement or evaluation;
- b. Child or adolescent psychology or both;
- c. Psychology, including personality and learning behaviors;
- d. Literature for children, adolescents, and adults with limited reading ability;
- e. Language arts instruction;
- f. Learning disabilities; and
- g. Contemporary issues in the teaching of reading.

§ 8.5. School nurse license.

The applicant seeking the school nurse license shall complete the following requirements:

1. Licensed as a registered nurse (RN) in the Commonwealth of Virginia;
2. A minimum of one-year, full-time experience in nursing (child health or community health preferred);
3. A minimum of 12 semester hours of undergraduate/graduate credit distributed in the following areas:

- a. Nursing: 6 semester hours.
 - (1) Health assessment of school-aged children;

- (2) Theory and methods of planning and implementing, and evaluating effective school health/community health services programs;

- (3) Application of the nursing process to the unique needs of the individual child and groups of school-aged children; and.

- (4) Community health nursing principles.

b. Related support courses: 6 semester hours.

- (1) Theory and practice of laws and policies which affect the educational program of students and the practice of school nursing;

- (2) Psychology of the exceptional child;

- (3) Family life education;

- (4) Health education;

- (5) Human growth and development;

- (6) Family dynamics;

- (7) Learning theory;

- (8) Counseling;

- (9) Substance abuse; and/or

- (10) Epidemiology.

§ 8.6. School principal (elementary, middle, and secondary).

An individual may become eligible for an endorsement as an elementary, middle, or secondary principal or assistant principal through the completion of the requirements in one of the following options. Individuals obtaining full licensure must have satisfied all principal endorsement requirements. Provisional licenses are issued to individuals who have satisfied the principal endorsement requirements with the exception of the internship.

A. Option one: Virginia approved program.

1. Hold a master's degree from an accredited college or university;

2. Complete three years of successful, full-time teaching experience in an accredited nonpublic or public school; and

3. Complete an approved restructured principal preparation program in Virginia which includes a full-time internship. The internship must be a minimum of 90 days in length under the joint supervision of a university faculty member and an appropriate school administrator, preferably the

building principal, and shall be inclusive of a full range of administrative experiences.

Individuals who have completed all requirements in this option except the full-time 90-day internship will qualify for a Provisional License. These individuals must complete the full-time, 90-day internship during their first year of employment as an assistant principal or principal to be eligible for the full license.

B. Option two: Out-of-state approved program in administration.

1. Hold a master's degree from an accredited college or university;
2. Complete three years of successful, full-time teaching experience in an accredited nonpublic or public school; and
3. Complete an out-of-state approved program in elementary, middle, or secondary administration which includes a full-time internship, or complete an out-of-state approved program in elementary, middle, or secondary administration and have a minimum of one year of successful, full-time experience as a principal or assistant principal.

Individuals who have completed all requirements in this option except the full-time internship or one year of successful full-time experience as a principal or assistant principal may be issued a Provisional License in Virginia. During the first year of employment in Virginia as an assistant principal or principal, the individual must work cooperatively with a practicing administrator.

C. Option three: Out-of-state administration license.

1. Hold a master's degree from an accredited college or university;
2. Hold a current, valid out-of-state license with endorsements as an elementary, middle, or secondary principal; and
3. Have a minimum of one year of successful, full-time experience as a principal or assistant principal in an accredited nonpublic or public school.

Individuals who have completed all requirements in this option except the one year of successful, full-time experience as an assistant principal/principal may be issued a Provisional License upon employment as an assistant principal or principal. During the first year of employment as an assistant principal or principal, the individual must work cooperatively with a practicing administrator.

§ 8.7. School psychologist.

The applicant seeking the school psychologist

endorsement shall complete the following:

1. 60 graduate hours which culminate in at least a master's degree from an approved program in school psychology or hold a certificate issued by the National School Psychology Certification Board;
2. A passing score on the National Teacher Examinations School Psychology Specialty Area Examination;
3. Course work shall include the following competencies:
 - a. Assessment:
 - (1) Cognitive;
 - (2) Academic; and
 - (3) Personality/social.
 - b. Intervention (direct and indirect):
 - (1) Counseling;
 - (2) Consultation; and
 - (3) Behavior management;
 - c. Psychological Foundations:
 - (1) Biological bases of behavior;
 - (2) Cultural diversity;
 - (3) Infant, child and adolescent development (normal/abnormal);
 - (4) Personality theory;
 - (5) Human learning; and
 - (6) Social bases of behavior.
 - d. Educational foundations:
 - (1) Education of exceptional learners;
 - (2) Instructional and remedial techniques; and
 - (3) Organization and operation of schools.
 - e. Statistics and research design.
 - f. Professional school psychology:
 - (1) History and foundations of school psychology;
 - (2) Legal and ethical issues;

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(3) Professional issues and standards; and

(4) Role and function of the school psychologist.

4. An internship which is documented by the degree granting institution. No more than 12 hours of internship can be counted toward the 60 graduate semester hours required for certification. The internship experience shall occur on a full-time basis over a period of one year or on a half-time basis over a period of two consecutive academic years. The internship shall occur under conditions of appropriate supervision, i.e., school based supervisor shall hold a valid credential as a school psychologist and nonschool based supervisor shall be an appropriately credentialed psychologist. The internship shall include experiences at multiple age levels, at least one half of which shall be in an accredited school setting.

§ 8.8. School social worker.

The applicant seeking the school social worker endorsement shall complete the following:

1. An earned master's of social work from an accredited school of social work with a minimum of 60 graduate hours;
2. Supervised practicum or field experience of a minimum of 400 clock hours in an accredited school discharging the duties of a school social worker or completion of a minimum of one year full-time supervised successful experience as a school social worker in an accredited school;
3. School social work practice: 3 semester hours at the graduate level;
4. A minimum of six graduate semester hours distributed in at least two of the following:
 - a. School law;
 - b. School administration;
 - c. Assessment and evaluation; and
 - d. Education of the exceptionalities.

§ 8.9. Visiting teacher.

The applicant seeking the visiting teacher endorsement shall complete the following:

1. An earned master's degree from an accredited college or university;
2. Two years of experience:
 - a. One year of successful full-time experience in an accredited educational setting either as a teacher or

as a pupil personnel professional; and

b. One year of full-time supervised experience as a visiting teacher in an accredited school.

3. A minimum of 30 graduate hours which shall include a course in each of the following:

- a. School social work practice;
- b. Community organization;
- c. Casework practice;
- d. Group process;
- e. Family dynamics;
- f. Abnormal psychology;
- g. Human growth and development (Birth through adulthood);
- h. Assessment/evaluation;
- i. Education of exceptionalities; and
- j. School law.

§ 8.10. Vocational evaluator (add-on endorsement).

An applicant seeking an add-on endorsement as a vocational evaluator must complete the following:

1. Purposes and practices of vocational evaluation: 3 semester hours.
2. Characteristics of special populations: 3 semester hours.
3. Purposes and practices of vocational education: 3 semester hours.
4. Career/life planning, transitioning, and occupational information: 3 semester hours.
5. Minimum of 150 clock hours of orientation to vocational evaluation under the supervision of a practicing, certified, school-based vocational evaluator. Such orientation may be concurrent with employment and must be completed by December 1 or no later than the third month of employment.

PERSONS CERTIFIED IN VOCATIONAL EVALUATION (CVC) THROUGH THE COMMISSION ON CERTIFICATION OF VOCATIONAL EVALUATION AND WORK ADJUSTMENT SPECIALISTS (CCWAVES) WOULD BE EXEMPTED FROM THESE REQUIREMENTS.

§ 8.11. Vocational special needs (add-on endorsement).

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The applicant seeking the vocational special needs endorsement shall complete the following:

1. A baccalaureate degree in special education, vocational education, or teaching license with endorsement in one area of vocational education or special education.

2. A minimum of 15 semester hours of course work that includes:

a. Overview of vocational special needs programs and services: philosophy; development; learning characteristics of all students including those who are disadvantaged; disabled, and gifted; program implementation; and evaluation: 3 semester hours.

b. Instructional methods and curriculum and resources in career-vocational, community based and transition programs for special populations in vocational education: 3 semester hours.

c. Planning and delivery of cooperative education programs: training site evaluation marketing, planning, and evaluation: 3 semester hours.

d. Career/life planning, transitioning, and occupational information: 3 semester hours.

e. Purposes and practices, characteristics of special populations: 3 semester hours.

3. 4,000 clock hours of employment experience in business or industry or complete a work experience internship under the supervision of an institution of higher education.

BOARD OF FUNERAL DIRECTORS AND EMBALMERS

Title of Regulation: VR 320-01-2. Regulations of the Board of Funeral Directors and Embalmers.

Statutory Authority: §§ 54.1-2400, 54.1-2803 and 54.1-2820 of the Code of Virginia.

Public Hearing Date: N/A – Written comments may be submitted until April 27, 1992.

(See Calendar of Events section for additional information)

Summary:

The Board of Funeral Directors and Embalmers approved the proposed amended regulations entitled Regulations of the Board of Funeral Directors and Embalmers for publication in the Register. The amended regulations are designed to delete the requirements for the funeral service trainee program that are now incorporated into VR 320-01-4, Regulations for the Funeral Service Trainee Program.

VR 320-01-2. Regulations of the Board of Funeral Directors and Embalmers.

PART 1. GENERAL PROVISIONS.

Article 1. Definitions, Legal Base, Purpose, Applicability.

§ 1.1. Definitions.

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

“*Advertisement*” means any information disseminated or placed before the public.

“*Alternate care*” means the preparation of a dead human body, exclusive of embalming, to include bathing and surface disinfection.

“*Alternative container*” means a nonmetal receptacle or enclosure, without ornamentation or a fixed interior lining, which is designed for the encasement of human remains and which is made of cardboard, pressed-wood, composition materials (with or without an outside covering) or pouches of canvas or other materials.

“*Applicant*” means a person applying for examination licensure traineeship, or registration, by the board.

“*At need*” means when death has occurred.

“*Board*” means the Board of Funeral Directors and Embalmers.

“*Burial garment*” means clothing designed specifically for use on dead human remains.

“*Cash advance item*” means any item of service or merchandise described to a purchaser as a cash advance, accommodation, cash disbursement, or similar term. A cash advance item is also any item obtained from a third party and paid for by the funeral provider on the purchaser's behalf. Cash advance items may include, but are not limited to, the following items: cemetery or crematory services, pallbearers, public transportation, clergy honoraria, flowers, musicians or singers, nurses, obituary notices, gratuities, and death certificates.

“*Casket*” means a rigid container which is designed for the encasement of human remains and which is usually constructed of wood, metal, or like material, and ornamented and lined with fabric.

“*Conduct*” means to carry out and perform.

“*Courtesy card*” means the card issued by the board which grants limited and restricted funeral service privileges in the Commonwealth to out-of-state funeral

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service licensees, funeral directors, and embalmers.

"Cremation" means a heating process which incinerates human remains.

"Cremation urn" means a wood, metal, stone, plastic, or composition container or a container of other material, which is designed for encasing cremated ashes.

"Cremation vault" or *"cremation outer burial container"* means any container which is designed for encasement of an inner container or urn containing cremated ashes. Also known as a cremation box.

"Crematory" means any person, partnership, or corporation that performs cremation.

"Department" means the Department of Health Professions.

"Direct cremation" means a disposition of human remains by cremation, without formal viewing, visitation, or ceremony with the body present.

"Embalmer" means any person engaged in the practice of embalming.

"Embalming" means the preservation and disinfection of the human dead by external or internal application of chemicals.

"Establishment manager" means a funeral service licensee or funeral director licensed by the board, responsible for the direct supervision and management of a funeral service establishment or branch facility.

"Executive director" means the board administrator for the Board of Funeral Directors and Embalmers.

"Full-time employment" means employment at the establishment for 40 hours per week.

"Funeral directing" means the for-profit profession of directing or supervising funerals, or preparing human dead for burial by means other than embalming.

"Funeral director" means any person engaged in the practice of funeral service.

"Funeral goods" means the goods which are sold or offered for sale directly to the public for use in connection with funeral services. Also known as funeral merchandise.

"Funeral provider" means any person, partnership, or corporation that sells or offers to sell funeral goods and funeral services to the public.

"Funeral service establishment" means any main establishment, branch, or chapel where any part of the profession of funeral directing or the act of embalming is

performed.

"Funeral service licensee" means a person who is licensed in the practice of funeral service.

"Immediate burial" means a disposition of human remains by burial, without visitation or ceremony.

"Outer burial container" means any container which is designed for placement in the grave around the casket including, but not limited to, containers commonly known as burial vaults, grave boxes, and grave liners.

"Person" means any individual, partnership, corporation, association, government, or governmental subdivision or agency or other entity.

"Practice of funeral services" means engaging in the care and disposition of the human dead, the preparation of the human dead for the funeral service, burial, or cremation, the making of arrangements for the funeral service or for the financing of the funeral service and the selling or making of financial arrangements for the sale of funeral supplies to the public.

"Preneed" means any time other than at-need.

"Preneed funeral financing" means the arranging of funding for funeral services prior to death.

"Preneed funeral planning" means the making of funeral arrangements or selecting of funeral merchandise prior to death.

"Registration" means the process of applying to the board to seek approval to serve as a trainee, trainer, or to operate a surface transportation and removal service.

"Resident trainee" means a person who is preparing to be licensed for the practice of funeral services under the direct supervision of a practitioner licensed by the board.

"Services of funeral director and staff" means those services which may be furnished by a funeral provider in arranging and supervising a funeral.

"Solicitation" means initiating contact with consumers with the intent of influencing their selection of a funeral plan or a funeral service provider.

"Surface transportation and removal service" means any person, private business, or funeral service establishment, except a common carrier engaged in interstate commerce, the Commonwealth and its agencies, engaged in the business of surface transportation or removal of dead human bodies in the Commonwealth.

"Unfinished wood box" means a container made of wood which does not have a fixed interior interlining.

§ 1.2. Legal base.

The following legal base describes the responsibility of the Board of Funeral Directors and Embalmers regulations governing funeral service in the Commonwealth of Virginia:

Title 54.1, Chapter 1 (§ 54.1-100 et seq.);
Title 54.1, Chapter 24 (§ 54.1-2400 et seq.);
Title 54.1, Chapter 25 (§ 54.1-2500 et seq.);
Title 54.1, Chapter 28 (§ 54.1-2800 et seq.);
Title 32.1, Chapter 2 (§ 32.1 et seq.);
Title 32.1, Chapter 6 (§ 32.1-263 et seq.);
Title 32.1, Chapter 7 (§ 32.1-274 et seq.);
Title 32.1, Chapter 8 (§ 11-24 et seq.)
Title 11, Chapter 5 (§§ 11-24 et seq.)
of the Code of Virginia; and
§ 453.1 (b)-(d), (f), (g)-(j), (k), (m)-(p) of the Federal Trade Commission's Funeral Industry Rule.

§ 1.3. Purpose.

These regulations establish the standards for qualifications, training, examination, licensure, and practice of persons as funeral service licensees; funeral directors; embalmers; funeral establishments; funeral service trainees; and surface transportation and removal services operating in the Commonwealth of Virginia.

§ 1.4. Applicability.

Individuals and establishments subject to these regulations are (i) funeral directors, (ii) embalmers, (iii) funeral service licensees, (iv) funeral establishments, (v) transportation and removal services, and (vi) resident trainees.

Exemptions: The provisions of these regulations shall not apply to any officer of local or state institutions or to the burial of the bodies of inmates of state institutions when buried at the expense of the Commonwealth or any of its political subdivisions.

Any person holding a license as a funeral director or embalmer or an equivalent in another state, having substantially similar requirements as the board, may apply to the board for courtesy card privileges to remove bodies from and to arrange funerals or embalm bodies in this Commonwealth. However, these privileges shall not include the right to establish or engage generally in the business of funeral directing and embalming in Virginia.

Article 2.

Public Participation Guidelines.

§ 1.5. Mailing list.

The executive director of the board shall maintain a list of persons and organizations who will be mailed the following documents as they become available:

1. Notice of intent to promulgate regulations;

2. Notice of public hearings or informational proceedings, the subject of which is proposed or existing regulations; and

3. Final regulations adopted.

§ 1.6. Additions and deletions to mailing list.

A. Any person wishing to be placed on the mailing list shall have his name added by writing to the board.

B. The board, in its discretion, may add to the list any person, organization, or publication it believes will serve the purpose of responsible participation in the formation or promulgation of regulations.

C. Those on the list may be periodically requested to indicate their desire to continue to receive documents or to be deleted from the list.

D. When mail is returned as undeliverable, persons will be deleted from the list.

§ 1.7. Notice of intent.

A. At least 30 days prior to publication of the notice to conduct an informational proceeding as required by § 9-6.14:7.1 of the Code of Virginia, the board shall publish a notice of intent.

B. The notice shall contain a brief and concise statement of the possible regulation or the problem the regulation would address and invite any person to provide written comment on the subject matter.

C. The notice shall be transmitted to the Registrar of Regulations for inclusion in the Virginia Register of Regulations.

§ 1.8. Informational proceedings or public hearings for existing regulations.

A. At least once each biennium, the board shall conduct an informational proceeding, which may take the form of a public hearing, to receive public comment on existing regulations. The purpose of the proceeding will be to solicit public comment on all existing regulations as to their effectiveness, efficiency, necessity, clarity, and cost of compliance.

B. Notice of such proceeding shall be transmitted to the Registrar of Regulations for inclusion in the Virginia Register of Regulations.

C. The proceeding may be held separately or in conjunction with other informational proceedings.

§ 1.9. Petition for rulemaking.

A. Any person may petition the board to adopt, amend, or delete any regulation.

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B. Any petition received within 10 days prior to a board meeting shall appear on the agenda of that meeting of the board.

C. The board shall have sole authority to dispose of the petition.

§ 1.10. Notice of formulation and adoption.

Prior to any meeting of the board or subcommittee of the board at which the formulation or adoption of regulations is to occur, the subject matter shall be transmitted to the Registrar of Regulations for inclusion in the Virginia Register of Regulations.

§ 1.11. Advisory committees.

The board may appoint advisory committees as it may deem necessary to provide for citizen and professional participation in the formation, promulgation, adoption, and review of regulations.

PART II. OPERATIONAL RESPONSIBILITIES.

Article 1. Posting of License.

§ 2.1. Posting of license.

A. Each licensee shall post his original license, photocopy of his original license, or a duplicate license obtained from the board in a main entrance or place conspicuous to the public in each establishment or branch where he is employed.

B. The establishment license shall be posted in a main entrance of the establishment or place conspicuous to the public.

C. Each licensee shall be able to produce his wallet license upon request.

Article 2. Records.

§ 2.2. Accuracy of information.

A. All changes of mailing address; name; place of employment; or change in establishment ownership, manager, or name shall be furnished to the board within five days after the change occurs.

B. All notices required by law and by these regulations to be mailed by the board to any registrant or licensee shall be validly given when mailed to the latest address on file with the board and shall not relieve the licensee, trainee, establishment, or firm of obligation to comply.

PART III. FEES.

§ 3.1. Initial fees.

The following fees shall be paid as applicable for initial licensure or registration : . For resident trainee fees see the board's regulations entitled Resident Trainee Program for Funeral Service.

1. Examination \$100
2. License to practice funeral service \$100
3. Funeral service establishment license \$150
4. Surface transportation and removal service registration \$200
5. Funeral service trainee registration \$ 25
6. 5. Courtesy card \$ 50
7. 6. Change of ownership, manager, or establishment name \$ 15
8. 7. Verification of licensure requests from another state license when applying for licensure in another state \$ 50
8. Verification of license when applying for courtesy card in another state \$5
9. Resumption of traineeship after interruption .. \$ 10

§ 3.2. Renewal fees.

The following annual fees shall be paid as applicable for license renewal : . For resident trainee renewal fees see the board's regulations entitled Resident Trainee Program for Funeral Service.

1. Funeral service license payable by March 31 . \$100
2. Funeral director license payable by March 31 \$100
3. Embalmer license payable by March 31 \$100
4. Funeral service establishment license payable by January 31 \$150
5. Surface transportation and removal service registration payable by January 31 \$200
6. Funeral service trainee registration payable by January 31 \$ 25
7. 6. Courtesy cards payable by December 31 ... \$ 50

§ 3.3. Reinstatement fees.

The following reinstatement fees shall be paid in addition to annual renewal fees for reinstatement of license or registration up to three years following

expiration : . For resident trainee reinstatement fees see the board's regulations entitled Resident Trainee Program for Funeral Service.

- 1. Funeral service, director, or embalmer reinstatement \$ 25
- 2. Establishment reinstatement \$ 25
- 3. Transportation and removal service reinstatement \$ 25
- 4. Resident trainee registration reinstatement \$ 10

§ 3.4. Other fees.

A. Duplicates.

Duplicate trainee registrations, surface transportation and removal registrations, licenses, establishment licenses, or courtesy cards shall be issued by the board at the individual's request.

- Duplicate license, registration, courtesy carded ... \$ 25
- Duplicate wall certificates \$ 50

B. Other.

There shall be a fee of \$25 for returned checks.

Fees shall not be refunded once submitted.

PART IV.
RENEWALS.

§ 4.1. Expiration dates.

For resident trainee expiration dates see regulations entitled Resident Trainee Program for Funeral Service.

A. The following shall expire on January 31 of each calendar year:

- 1. Funeral service establishment license; and
- ~~2. Funeral service trainee registration; and~~
- ~~3.~~ 2. Surface transportation and removal service registration.

B. The following shall expire on March 31 of each calendar year:

- 1. Funeral service license;
- 2. Funeral director license; and
- 3. Embalmer license.

C. Courtesy cards expire on December 31 of each

calendar year.

D. A person who or establishment which fails to renew a license, registraton, or courtesy card by the expiration dates prescribed in this section shall be deemed to have an invalid license, registration, or courtesy card.

§ 4.2. Renewal of license; registration.

A person, establishment, or surface transportation and removal service who desires to renew his license or registration for the next year, not later than the expiration date shall:

- 1. Return the renewal notice;
- 2. Submit the applicable fee prescribed in § 3.2; and
- 3. Notify the board of any changes in name, address, employment, managers or ownership.

§ 4.3. Reinstatement of expired license or registration.

The board may consider reinstatement of an expired license or registration for up to three years following expiration. A written application request for reinstatement shall be submitted to the board and shall include payment of all applicable delinquent renewal fees prescribed in § 3.2 plus the additional reinstatement fee prescribed in § 3.3.

§ 4.4. Reapplication of license.

When a license is not reinstated within three years of its expiration date, an applicant for licensure shall:

- 1. Reapply for licensure; and
- 2. Reapply for state examination.

PART V.
REQUIREMENTS FOR LICENSURE.

Article 1.
Establishments: General Qualifications.

§ 5.1. General qualifications of establishments.

All places of business in the Commonwealth, including main establishments, branches or chapels, where any part of the profession or business of funeral directing or any act of embalming, or either or both, is carried on, conducted, or performed, or is permitted to be carried on, conducted, or performed, and where preneed funeral arrangements are conducted, shall be:

- 1. Subject to regulation and inspection by the board;
- 2. Operated in accordance with law; and
- 3. Maintained in compliance with these requirements.

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§ 5.2. Establishment license required.

No person shall maintain, manage, or operate a funeral service establishment in the Commonwealth, unless such establishment holds a license issued by the board.

§ 5.3. Current license requirements.

The license shall be:

1. For the current calendar year; and
2. In the name of the funeral service licensee or licensed funeral director designated by the ownership to be manager of the establishment.

§ 5.4. Manager-of-record required.

Every funeral service establishment and every branch or chapel of such establishment in the Commonwealth, regardless of how owned, shall have a separate funeral service licensee or funeral director licensed by the board who is employed full time at the establishment and is designated as manager of the establishment.

§ 5.5. Expiration of establishment licenses.

Establishment licenses shall expire January 31 of each calendar year (see subsections A and D of § 4.1 and §§ 4.2 through 4.4 for renewal information.).

Article 2.

Funeral Service, Funeral Directors and Embalmers: General Qualifications.

§ 5.6. License required; exception.

No person shall engage in the practice of funeral service, or practice as a funeral director or embalmer in the Commonwealth without having the required license issued by the board.

EXCEPTION: A registered trainee may perform such acts only in strict conformity with the provisions of these regulations *and the regulations entitled Resident Trainee Program for Funeral Service*.

§ 5.7. Expiration of licenses.

With the exception of trainees, licenses shall expire on March 31 of each calendar year (see subsections B and D of § 4.1 and §§ 4.2 through 4.4 for renewal information. ~~See § 6.12 for trainee registration expiration information.~~ (See regulations entitled *Resident Trainee Program for Funeral Service*.)

§ 5.8. Requirement for license.

To be licensed for the practice of funeral service, a person shall:

1. Be at least 18 years of age;
2. Be a graduate of a high school or the equivalent;
3. Have completed traineeship and be a graduate from a school of mortuary science or funeral service approved by the board;
4. Pass the required state and national examinations; and
5. Not have been convicted of a felony. The board, in its discretion, may license an individual convicted of a felony if he has been pardoned or has had his civil rights restored.

Article 3.

Application Process.

§ 5.9. Funeral service applicants.

An individual seeking licensure for funeral service or seeking examination/reexamination shall submit simultaneously:

1. Completed and signed application;
2. Additional documentation as may be required by the board to determine eligibility of the applicant; and
3. The applicable fees(s) prescribed in subdivision 1 of § 3.1.

§ 5.10. Application package; exception.

All required parts of the application package shall be submitted at the same time. An incomplete package will be returned to the licensee.

EXCEPTION: Some schools require that certified transcripts be sent directly to the licensing authority. That policy is acceptable to the board.

National examination scores will also be accepted from the examining authority.

§ 5.11. Date of submission of application package.

An individual applying for examination shall submit the application package within six months and not less than 45 days prior to an examination date.

§ 5.12. Establishment applicants.

Not less than 45 days prior to opening of an establishment, an owner or licensed manager seeking an establishment license shall submit simultaneously:

1. Completed and signed application;
2. Additional documentation as may be required by

the board to determine eligibility for licensure; and

3. The applicable fee prescribed in subdivision 3 of § 3.1.

§ 5.13. Incomplete application package.

All required parts of the application package shall be submitted at the same time. An incomplete package will be returned to the licensee.

§ 5.14. Waiver of time limits.

The board may for good cause, waive the time requirement in §§ 5.11 and 5.12 for the filing of any application. The burden of proof which demonstrates good cause rests with the applicant.

Article 4. General Examination Requirements.

§ 5.15. National Board examination required.

Prior to applying for state examination for licensure, every applicant for initial licensure by the board shall pass the National Board Examination of the Conference of Funeral Service Examining Boards of the United States, Inc., administered in accredited schools of embalming or mortuary science.

§ 5.16. Virginia State Board examination.

All applicants shall pass the Virginia State Board Examination.

§ 5.17. Failure to appear.

The applicant shall forfeit the Virginia State Board examination fee if he is unable to sit for the examination for any reason.

§ 5.18. Reexamination.

Any person failing the Virginia State Board examination shall reapply for a subsequent examination, and shall pay the examination fee prescribed in subdivision 1 of § 3.1 for each application filed.

§ 5.19. Scheduling examinations.

A. An applicant may request to take the scheduled Virginia State Board examination most closely preceding the expected completion of the mortuary school, if traineeship has also been completed, or traineeship, if mortuary school has been completed.

B. All such requests shall be in writing.

C. Approval of the written request by the board shall be required prior to submitting the application and fee for examination (see §§ 5.11 and 3.1).

D. Application for licensure and the licensure fee (see subdivision 2 of § 3.1) shall be submitted after the applicant completes the qualifications for licensure.

Article 5.

Licensure of Out-of-State Applicants.

§ 5.20. Out-of-state applicants.

Licenses for the practice of funeral service or its equivalent issued by other states, territories, or the District of Columbia may be recognized by the board and the holder of such license(s) may be granted a license to practice funeral service within the Commonwealth, as follows:

1. Reciprocity. Licenses may be granted by reciprocity provided that the same privileges are granted by the other jurisdiction to Virginia funeral service licensees by the establishment of substantially similar licensure requirements and reciprocity agreements between the two jurisdictions; or

2. Endorsement. Licenses may be granted to applicants by the board on a case-by-case basis, if the applicant holds a valid license for the practice of funeral service or its equivalent in another state, territory, or the District of Columbia and possesses credentials which are substantially similar to, or more stringent than required by the Commonwealth for initial licensure and the examinations and passing grades received by the applicant are equivalent to those required by the board.

§ 5.21. State examination required.

An out-of-state applicant for board licensure shall pass the Virginia State Board Examination (See § 5.16).

PART VI. TRAINEE PROGRAM REQUIREMENTS.

Article 1:

Resident Trainees: Requirements and Application Process for Registration.

§ 6.1. Resident trainee requirements and application .

To be approved for registration as a resident trainee, a person shall comply with the board's regulations entitled *Resident Trainee Program for Funeral Service*. To be approved for registration as a resident trainee, a person shall:

1. Be a graduate of an accredited high school or the equivalent;

2. Obtain a supervisor approved by the board to provide training;

3. Have not been convicted of a felony. The board, in

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its discretion, may approve an individual convicted of a felony if he has been pardoned or has had his civil rights restored.

§ 6.2. Trainee application package.

Every qualified person seeking registration with the board as a trainee under the Program for Training of Resident Trainees shall submit an application package which shall include:

1. Completed and signed application;
2. Fee prescribed in subdivision 5 of § 2.1; and
3. Additional documentation as may be required by the board to determine eligibility of the applicant.

§ 6.3. Submission of incomplete application package; exception.

All required parts of the application package shall be submitted at the same time. An incomplete package will be returned to the licensee.

EXCEPTION: Some schools require that certified transcripts be sent directly to the licensing authority. That policy is acceptable to the board.

National examination scores where applicable will also be accepted from the examining authority.

Article 2: Training Program.

§ 6.4. Apprenticeship training.

§ 6.2. Apprenticeship training, training sites, and supervision.

Applicants, training sites, and training supervisors shall comply with the board's regulations entitled Resident Trainee Program for Funeral Service.

For applicants applying for initial traineeships after the effective date of these regulations, the trainee program shall consist of at least 18 months of apprenticeship training.

§ 6.5. Training sites.

Funeral training shall be given at the main office of the funeral service establishment approved for training or at any branch of an establishment approved for training or at any branch of an establishment that complies with the provisions of these regulations and is approved by the board as a training site.

§ 6.6. Training supervision.

Training shall be conducted under the direct supervision

of a licensee(s) approved by the board.

§ 6.7. Number of trainees limited.

When more than two trainees are requested by an establishment, not more than two trainees will be registered per licensed supervisor at any time.

§ 6.8. Approval of funeral training.

The approval shall apply to and be valid only to:

1. The trainee;
2. The licensed person(s) under whom the training is to be given; and
3. The funeral service establishment(s) named in the approval statement.

§ 6.9. Trainee work schedule.

Every trainee shall be assigned a work schedule of at least 40 hours each week in order to obtain credit for such training. The trainee shall be required to serve weekday, evening, and weekend shifts to receive training in all areas of funeral service.

§ 6.10. Requirements of traineeship.

A. A trainee shall participate in arranging or conducting at least 25 funerals and in caring for and disposing of the dead during the traineeship but only in the room with and in visual contact with a funeral service licensee or licensed funeral director.

B. A trainee shall embalm at least 25 dead human bodies during the traineeship but only in the room with and in visual contact with a funeral service licensee or a licensed embalmer.

§ 6.11. Expiration of trainee registration.

Registrations expire on January 31 of each year of the traineeship tenure (see subsections A and D of § 4.1 and §§ 4.2 through 4.4 for renewal information).

Article 3: Qualifications and Application Process to Train.

§ 6.12. Supervisor approved.

An individual shall be approved by the board prior to serving as a supervisor.

§ 6.13. Qualifications of supervisor.

The board shall approve only funeral service licensees, licensed funeral directors, or licensed embalmers to give funeral training who:

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1. Have a full and unrestricted Virginia license; and
2. Are employed full time in the establishment where training occurs.

§ 6.14. Approval of training establishment.

An individual, firm, or corporation owning or operating any funeral service establishment shall apply to and be approved by the board prior to permitting funeral training to be given or conducted in the establishment.

§ 6.15. Qualifications of training establishment.

The board shall approve only an establishment or two combined establishments to serve as the training site(s) which:

1. Have a full and unrestricted Virginia license;
2. Have complied in all respects with the provisions of these regulations; and
3. Have 35 or more funerals and 35 or more bodies for embalming per calendar year for each person to be trained. This average must be maintained throughout the period of training.

§ 6.16. Supervisor application package.

Every qualified person seeking approval of the board as a supervisor or an establishment or combined establishments seeking approval as a training site(s) shall submit an application package which shall include:

1. Completed and signed application; and
2. Additional documentation as may be required by the board to determine eligibility of the applicant.

Article 4. Administration of Trainee Program.

§ 6.17. § 6.3. Curriculum compliance.

An approved supervisor and resident trainee shall comply with the curriculum training program developed by the board for the trainee program traineeship and shall provide supervision and training as prescribed by that curriculum and these regulations the regulations of the board entitled Resident Trainee Program for Funeral Services.

§ 6.18. Supervisor's report to board.

The trainee, the supervisor, and the establishment manager shall submit a written report to the board at the end of every six months of training. The report shall:

1. Verify that the trainee has actually served in the required capacity as prescribed in §§ 6.9 and 6.10

during the preceding six months; and

2. Be received in the board office no later than 10 days following the end of the six-month period.

§ 6.19. Failure to submit training report.

If the trainee, supervisor, or establishment manager fails to submit the reports required in § 6.18, the trainee shall forfeit all credit for training since the last report made. The board may waive such forfeiture.

§ 6.20. Terminated or interrupted training.

If the training program is terminated or interrupted prior to completion, the trainee and the supervisor shall submit the following information to the board within five working days:

1. Trainee.

- a. All partial progress reports to the date of termination for the six-month period; and
- b. Written explanation of the causes of program termination/interruption.

2. Supervisor. The supervisor shall submit written explanation of the causes of program termination/interruption.

§ 6.21. Selection of new supervisor.

If the program is interrupted because the approved supervisor is unable to serve, the trainee shall obtain a new supervisor.

§ 6.22. Resumption of training.

Credit for training shall resume when a new supervisor is obtained by the trainee and approved by the board (see §§ 6.12 through 6.16).

§ 6.23. Resumption of traineeship application.

When a traineeship is interrupted by the trainee, the trainee shall submit a resumption of traineeship application to the board prior to resuming his traineeship.

§ 6.24. Credit for partial reports.

Credit for partial reports shall only be given in increments of one month.

PART VII. REGISTRATION.

Article 1. Surface Transportation and Removal Services.

§ 7.1. Registration of surface transportation and removal

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services.

A. Every surface transportation and removal service not licensed under an establishment license issued by the board shall be registered with the board.

B. All persons proposing to operate and each owner of a service shall submit an application package for registration which shall include:

1. Completed and signed application;
2. Fee prescribed in subdivision 4 of § 3.1; and
3. Additional documentation as may be required by the board to determine eligibility of the applicant.

§ 7.2. Exclusion from jurisdiction.

The following shall not be within the jurisdiction of surface transportation and removal services:

1. Arranging or conducting funerals;
2. Offering to or providing for the care or preparation, including embalming, of dead human bodies; and
3. Selling or providing funeral related goods and services.

§ 7.3. Misrepresentation.

A person employed or operating a surface transportation and removal service shall not in any manner misrepresent himself to the public as being an official of any local jurisdiction, the Commonwealth, federal, or any other governmental body unless granted such authority. This shall include the name and title of the company or service, uniforms, equipment, vehicles, and any other instruments used or proffered by the services or its agents. The board shall be the sole determinant of the appropriateness of the pertinent qualities of the service and staff in enforcing this regulation.

§ 7.4. Expiration of registration.

The registration shall expire on January 31 of each calendar year (see subsections A and D of § 4.1 and §§ 4.2 through 4.4 for renewal information).

PART VIII. ISSUANCE OF COURTESY CARDS.

§ 8.1. Courtesy cards.

A. An out-of-state person applying for a courtesy card shall hold a valid license for funeral service, funeral directing, or embalming in another state, territory, or the District of Columbia.

B. The other state shall have requirements for licensure

substantially similar to those existing in the Commonwealth of Virginia.

§ 8.2. Application for courtesy card.

An application to this board for a courtesy card shall be:

1. Submitted for approval to the licensing authority having jurisdiction at the applicant's place of employment; and
2. Forwarded by the designated official of such authority, to the board. The certificate of approval and the fee prescribed in subdivision 6 of § 3.1 shall be included.

§ 8.3. Courtesy card privileges.

A courtesy card permits the holder to:

1. Remove bodies from Virginia;
2. Arrange funerals in Virginia; and
3. Embalm bodies in Virginia.

§ 8.4. Exceptions to privileges.

The privileges of a courtesy card do not include:

1. The right to establish or engage generally in the business of funeral directing and embalming in the Commonwealth; and
2. The right of the recipient to be continuously employed professionally by a funeral establishment in the Commonwealth.

§ 8.5. Expiration of courtesy card.

A courtesy card shall expire on December 31 of the year of issuance.

PART IX. SCHOOLS OF EMBALMING AND MORTUARY SCIENCE.

§ 9.1. Approval.

The board hereby adopts as its approved school list those mortuary science or funeral service schools which are accredited by the American Board of Funeral Service Education, Incorporated. All applicants for licensure are required to have graduated from a funeral service program offered by an approved school of mortuary science or funeral service.

PART X. REFUSAL, SUSPENSION, REVOCATION AND DISCIPLINARY ACTION.

§ 10.1. Unprofessional conduct.

The board may refuse to admit a candidate to any exam; refuse to issue or renew a license, registration, or approval to any applicant; and may suspend for a stated period of time or indefinitely, or revoke any license or approval, or reprimand any person, or place his license on probation with such terms and conditions and for such time as it may designate, or impose a monetary penalty for any of the following causes:

1. Breach of confidence. Licensees and registrants are necessarily brought within the privacy of those in which they serve and are often placed in positions where they receive confidences and learn intimate details of domestic life and family secrets. The unnecessary or unwarranted disclosure of such confidences by the funeral licensee in the course of practice shall be determined to be an act of unprofessional conduct.

2. Unfair competition.

a. A funeral service licensee, funeral director, or registered surface transportation and removal service shall not interfere when another has been called to take charge of a dead human body and the caller or agent of the caller has the legal right to the body's disposition.

b. A funeral service licensee or funeral director shall not consent to take charge of a body unless authorized by the person or his agent having the legal right to disposition.

3. False advertising.

a. No licensee or registrant shall make, publish, disseminate, circulate or place before the public, or cause directly or indirectly to be made, an advertisement of any sort regarding services or anything so offered to the public which contains any promise; assertion; representation; or statement of fact which is untrue, deceptive, or misleading.

b. The following practices both written and verbal shall constitute false, deceptive, or misleading advertisement within the meaning of § 54.1-2806 4 of the Code of Virginia:

(1) Advertising containing inaccurate statements;

(2) Aired or published advertisements which do not disclose the name of the establishment manager or licensed owner when the owner is a licensee; and

(3) Advertisement which gives a false impression as to ability, care, and cost of conducting a funeral, or that creates an impression of things not likely to be true.

c. The following practices are among those which shall constitute an untrue, deceptive, and misleading representation or statement of fact:

(1) Representing that funeral goods or services will delay the natural decomposition of human remains for a long-term or indefinite time; and

(2) Representing that funeral goods have protective features or will protect the body from gravesite substances over or beyond that offered by the written warranty of the manufacturer.

4. Inappropriate handling of dead human bodies.

a. At all times human bodies are to be handled with proper dignity and respect in conformity with the customs of the community being served.

b. During the removal of a dead human body, proper care shall be given to prevent the spread of infectious and contagious diseases.

c. All dead human bodies shall be properly wrapped and placed on a cot or stretcher which is self-contained and covered so that no part of the human body is visible to the public.

d. Transportation and removal vehicles shall be of such nature as to eliminate exposure of the deceased to the public during transportation.

e. During the transporting of a human body, consideration shall be taken to avoid unnecessary delays or stops during travel.

5. Obtaining a license or registration by fraud, either in the application for the license or in passing the examination.

6. Conviction of a felony.

7. Failure to comply with any regulations of the board.

8. Failure to comply with federal, state, or local laws and regulations governing the operation of a funeral establishment.

9. Conducting the practice of funeral services in such a manner as to constitute a danger to the health, safety, and well-being of the staff or the public.

10. Inability to practice with skill or safety because of physical, mental, or emotional illness, or substance abuse.

11. Unprofessional conduct.

PART XI. STANDARDS FOR EMBALMING.

Proposed Regulations

Article 1. General.

§ 11.1. Embalming report.

Every funeral establishment shall record and maintain a separate, identifiable report for each embalming procedure conducted (see § 13.1 and Appendix IV).

§ 11.2. Contents of embalming report.

The report shall contain the following (see example in Appendix IV):

1. Name of deceased;
2. Date of death;
3. Date of embalming;
4. Name of embalmer and license number;
5. Autopsy information where applicable;
6. Preembalming condition of body;
7. Description of preembalming preparation;
8. Description of fluids used;
9. Type and point of injection;
10. Quality of fluid distribution;
11. Type and amount of cavity fluid;
12. Body cavity treatment;
13. Restoration techniques; and
14. Other conditions and treatments.

§ 11.3. Documentation of embalming.

A licensee who proceeds with an embalming without prior approval from a family member or other person shall:

1. Document the reasons for proceeding in writing;
2. Document the efforts made to contact the family or authorized person;
3. Document the licensee authorizing the embalming; and
4. Obtain subsequent approval from a family member or other authorized person.

Article 2. Preparation Room.

§ 11.4. Preparation room required.

Every funeral service establishment at which embalming of dead human bodies is performed shall have at least one room used exclusively for embalming or preparation of the body.

§ 11.5. Size of preparation room.

The preparation room shall be of a size to accommodate the average number of embalmings being performed simultaneously at the facility.

§ 11.6. Preparation room requirements.

The following are required of the preparation room(s):

1. The walls shall extend floor to ceiling;
2. The floor and wall surfaces shall be of a material or covered by a material impervious to water;
3. The material shall extend from wall to wall with all joints tight and sanitary; and
4. No other room shall be used for the performance of any function connected with embalming.

§ 11.7. Condition of preparation room.

A. The preparation room(s) shall be kept in a clean and sanitary condition at all times, subject to inspection.

B. Inventories of embalming and preparation materials shall not be stored on the floor in the preparation room.

C. Any items or supplies not directly used in an embalming procedure shall not be stored in the preparation room.

Article 3. Equipment.

§ 11.8. Preparation room equipment.

The preparation room(s) shall be equipped with:

1. A ventilation system which operates and is appropriate to the size and function of the room;
2. Running hot and cold water;
3. Flush or slop sink connected with public sewer or with septic tank where no public sewer is available;
4. Metal or porcelain morgue table;
5. Covered waste container;
6. Instruments and apparatus for the embalming process;

7. A means or method for the sterilization of reusable instruments by:

- a. Chemical bath or soak; or
- b. Autoclave (steam); or
- c. Ultraviolet light;

8. Disinfectants and antiseptic solutions;

9. Clean gowns or aprons, preferably impervious to water;

10. Rubber gloves for each embalmer or trainee using the room;

11. A hydroaspirator(s) equipped with a vacuum breaker; and

12. An eye wash station.

Article 4. Prevention of Spread of Disease.

§ 11.9. Disposal of waste materials.

At the completion of each embalming operation all used cotton, bandages, and other waste materials shall be disposed of properly to avoid contagion and the possible spread of disease.

§ 11.10. Separate restroom facility required.

Every funeral service establishment or branch facility shall be equipped with a sanitary restroom facility which operates and is separate from the preparation room.

§ 11.11. First aid kit required.

A standard first aid kit shall be immediately accessible outside the door to the preparation room.

PART XII. PRICING STANDARDS.

Article 1. General.

§ 12.1. Disclosure of price of funeral goods and services.

In selling or offering to sell funeral goods or funeral services to the public, it is an unfair or deceptive act or practice for a funeral provider to fail to furnish price information disclosing the cost to the purchaser for each of the specific funeral goods and funeral services used in connection with the disposition of deceased human bodies.

§ 12.2. Disclosures.

Funeral providers must make all required disclosures in

a clear and conspicuous manner as follows:

1. Telephone price disclosures.

a. Persons who ask by telephone about the funeral provider's offerings and prices, shall be given accurate information over the telephone from the price list (described in Article 2 of this part) which reasonably answers the question and which is readily available.

b. The licensee shall inform the telephone inquiries of all disclosures included on the various price lists.

c. The licensee shall inform the telephone inquirer that complete written information is available at the establishment.

2. In person price disclosures.

a. Persons who inquire in person about funeral arrangements or the prices of funeral goods or funeral services shall be given a printed or typewritten general price list to retain if they choose.

b. The funeral provider shall offer the price list upon beginning discussion either of funeral arrangements or of the selection of any funeral goods or funeral services.

§ 12.3. Itemized statement.

Licensees shall furnish to each person who arranges a funeral or other disposition of human remains, a copy of an itemized written statement of the funeral goods and services selected by that person and the prices to be paid for each item.

Article 2. General Price List. (See example in Appendix I)

§ 12.4. Identifying information.

The general price list shall contain at least the following:

1. The name, address, and telephone number of the funeral provider's place of business;

2. A caption describing the list as a "general price list"; and

3. The effective date for the price list.

§ 12.5. Prices.

A. Funeral service establishments shall include on the general price list, in any order, the retail prices, expressed either as the flat fee, or as the price per hour, mile, or

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other unit of computation, for services and supplies offered for sale.

B. The following general disclosures shall be included on the first page of the general price list:

1. "The goods and services shown below are those we can provide to our customers. You may choose only the items you desire. (However, any funeral arrangements you select will include a charge for our services.) If legal or other requirements mean you must buy any items you did not specifically ask for, we will explain the reason in writing on the statement we provide describing the funeral goods and services you selected prior to the signing of the contract."

2. "This list does not include prices for certain items that you may ask us to buy for you such as cemetery or crematory services, flowers, and newspaper notices. The prices for these items will be shown on your bill or the statement describing the funeral goods and services you selected."

§ 12.6. Professional services of funeral director and staff.

A. A list of the following professional services and a description of what charge includes, shall be provided on the general price list:

1. Minimum services of funeral director and staff; and
2. Optional services of funeral director and staff.

B. Disclosures.

If the charges above are mandatory and cannot be declined by the purchaser, the following statement shall be included on the price list:

"This fee for our services will be added to the total cost of the funeral arrangements you select. This fee is already included in our charges for direct cremations, immediate burials, and forwarding or receiving remains."

§ 12.7. Funeral home facilities.

A list of the following uses of the facility and a description of what charge includes shall be provided on the general price list:

1. Basic facilities;
2. Facilities for visitation and viewing; and
3. Facilities for funeral ceremony.

§ 12.8. Embalming services.

A. Separate prices shall be listed for embalming normal remains versus autopsied remains if the charges are

different.

B. Disclosures.

The following disclosures shall be placed under the embalming section on the general price list:

1. "Except in certain special cases, embalming is not required by law. Embalming may be necessary, however, if you select certain funeral arrangements, such as a funeral with viewing."

2. "If you do not want embalming, you usually have the right to choose an arrangement which does not require you to pay for it, such as direct cremation or immediate burial."

§ 12.9. Other preparation services.

Other preparations of the body shall be listed.

§ 12.10. Immediate burials.

A. A list of the following immediate burial services and a description of what the base prices of an immediate burial service includes shall be placed on the general price list.

1. Immediate burial where the purchaser provides the casket;
2. Immediate burial where the licensee provides the minimum casket or alternative container; and
3. Immediate burial base price plus a casket (other than the minimum) chosen by the purchaser.

B. A price range shall be listed for immediate burials.

§ 12.11. Direct cremations.

A. A list of the following direct cremation services and a description of what the prices of a direct cremation include shall be placed on the general price list:

1. Direct cremation where the purchaser provides the container;
2. Direct cremation where the licensee provides an alternative container; and
3. Direct cremation where the licensee provides an unfinished wood box.

B. A price range shall be listed for direct cremations.

C. Disclosures.

The following disclosure has to be placed on the general price list if the licensee arranges direct cremations.

"State and local laws do not require a casket for direct cremation. If you want to arrange a direct cremation, you can use an unfinished wood box or an alternative container. Alternative containers can be made of materials like heavy cardboard or composition materials (with or without an outside covering), or pouches of canvas."

§ 12.12. Transfer services.

A list of the following transfer services and a description of what the prices of the services include shall be placed on the general price list:

1. Transfer of remains to funeral establishment;
2. Forwarding remains to another funeral establishment; and
3. Receiving remains from another funeral home.

§ 12.13. Automotive services.

A. A list of the following automotive services shall be placed on the general price list if owned by the facility:

1. Hearse;
2. Limousine; and
3. Other automotive equipment.

B. Any of these items that are obtained through a third party shall be shown under cash advance items on the itemized statement of goods and services.

§ 12.14. Funeral merchandise.

A. The following funeral merchandise shall be placed on the general price list if offered for sale. A price range shall be given for each:

1. Casket;
2. Outer burial containers;
3. Cremation urns;
4. Cremation vaults.

B. The following funeral merchandise shall also be placed on the general price list if offered for sale:

1. Acknowledgment cards;
2. Register books(s);
3. Folders;
4. Other.

C. The following disclosure shall be placed on the general price list under each item listed in subsection A of this section:

"A complete price list will be provided at the funeral home."

Article 3. Outer Burial Container and Casket Price List. (See Appendix II)

§ 12.15. Containers; exceptions.

A. Funeral providers who sell or offer to sell caskets, alternative containers, or outer burial containers must prepare an "outer burial container and casket price list."

B. The outer burial container and casket price lists shall accompany or be a part of the general price list.

C. A typewritten or printed outer burial container and casket price list shall be shown to people who inquire in person about the offerings or prices of containers.

EXCEPTION: If the complete outer burial container and casket price list(s) are a part of the general price list, separate outer burial container and casket price list(s) do not have to be shown to the public.

D. The container price list shall disclose at least the following information:

1. The name of the funeral provider's place of business;
2. A caption describing the list(s) as a casket, alternative container, outer burial list; or
3. The retail prices of all caskets, alternative containers, and outer burial containers which do not require special ordering;
4. The effective date(s) of the price list(s); and
5. Enough information to identify the manufacturers, models, types, and interiors of all units available for sale, including inventory.

E. When other formats, such as notebooks, brochures, or charts, are used they shall contain the same information as prescribed in subsection D of this section and shall be displayed in a clear and conspicuous manner.

F. A funeral establishment which has a casket selection room shall have available a means for indicating the price of each casket within the room.

G. If a licensee arranges direct cremations, he shall make an unfinished wood box or alternative container available.

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H. The following disclosure shall be placed at the applicable locations on both the outer burial container and the casket price list(s):

"The only warranty on the casket or outer burial container, or both, sold in connection with this service is the express written warranty, if any, granted by the manufacturer. This funeral home makes no warranty, express or implied, with respect to the casket or outer burial container, or both."

I. The following disclosure shall be placed on the outer burial container price list:

"In most areas of the country, no state or local law requires you to buy a container to surround the casket in the grave. However, many cemeteries ask that you have a container so that the grave will not sink. Either a burial vault or a grave liner will satisfy cemeteries that have these requirements."

Article 4.

Itemized Statement of Funeral Expenses.

(See Appendix III)

§ 12.16. Itemized statements.

A. Itemized statements shall be executed:

1. At the time such arrangements are made if the party is present; or
2. If the party is not present, not later than the time of the final disposition of the body.

B. The itemized statement shall be signed by the funeral service licensee or funeral director and the party contracting for the funeral arrangements.

C. The itemized statement shall contain a statement that the contracting party acknowledges the receipt of a copy of the itemized statement, the general price list, and the container price list.

D. The itemized statement shall include all items and charges which are made available to the contracting party such as the following categories:

1. Professional services of funeral licensees and staff;
 - a. Minimum services of funeral director and staff;
 - b. Optional services of funeral director and staff.
2. Funeral home facilities (types of services shall be listed individually);
3. Embalming;
 - a. Disclosures shall be as follows:

(1) "If you selected a funeral which requires embalming, such as a funeral with viewing, you may have to pay for embalming."

(2) "You do not have to pay for embalming you did not approve if you selected arrangements such as a direct cremation or immediate burial. If we charged for embalming we will explain why below."

4. Other preparation services (types of services shall be listed individually);

5. Immediate burial (types of services included in the price shall be described);

6. Direct cremation (types of services shall be described);

7. Transfer of remains to funeral establishment;

8. Forwarding of remains to another funeral establishment;

9. Receiving remains from another funeral establishment;

10. Automotive equipment (types of services shall be listed individually);

11. Funeral merchandise (types of services shall be listed individually);

12. Container selected (types shall be listed and described individually);

13. Any and all anticipated or actual cash advances and expenditures requested by the party contracting for the funeral arrangements shall be listed individually.

14. Virginia sales tax paid on all items to which such tax is applicable; and

15. The total costs of the funeral goods and funeral services selected.

E. Disclosures.

The following disclosures shall be on the itemized statement of goods and services:

1. "Charges are only for those items that are used. If we are required by law, to purchase any items, we will explain the reasons in writing below."

2. "The only warranty on the casket or outer burial container, or both, sold in connection with this service is the express written warranty, if any, granted by the manufacturer. This funeral home makes no warranty, express or implied, with respect to the casket or outer burial container, or both."

§ 12.17. Cemetery and crematorium.

The licensee shall identify and describe in writing at the applicable location on the itemized statement any funeral goods or services representing policies of particular cemeteries or crematoriums.

PART XIII.
RETENTION OF DOCUMENTS.

§ 13.1. Retention of documents.

The following shall apply to retention of embalming reports, price lists, and itemized statements:

1. Price lists shall be retained for three years after the effective date.
2. Itemized statements shall be retained for three years from the date on which the statement was signed.
3. Embalming reports shall be retained for three years after the date of the embalming.
4. Documents shall be maintained on the premises of the funeral establishment and made available for inspection.
5. In instances where the funeral establishment is sold, documents shall be transferred to the new owner, unless the existing firm is relocating to a new facility.

APPENDIX I

Any Funeral Home
Main Street
Anytown, Virginia
Telephone Number

DEPARTMENT OF CONSUMER AFFAIRS
OFFICE OF THE ATTORNEY GENERAL

GENERAL PRICE LIST

These prices are effective as of (Date)
Prices are subject to change without prior notice

APPENDIX I

GENERAL PRICE LIST

Note to Establishments: The following General Price List has been prepared as a guideline. All General Price Lists must contain at least the following content if you offer the goods and services for sale at your establishment. You may use any format arrangement you choose and may add to this information to fit your establishment's services.

This sample form has notes throughout that are for your information only and are not intended to be included on the form when you prepare the form for use at your establishment. The Board has marked these notes with asterisks (*).

The statements in italics are required by the Federal Trade Commission and the Board. The FTC disclosure requirements must be placed under the appropriate category as indicated on this sample form.

I. General Information: Disclosures

The goods and services shown below are those we can provide to our customers. You may choose only the items you desire. However, any funeral arrangements you select will include a charge for our services.

(*Note to establishment: If the last sentence does not apply at your funeral home, you may delete it.)

If legal or other requirements mean you must buy any items you did not specifically ask for, we will explain the reason in writing on the statement we provide describing the funeral goods and services you selected.

This list does not include prices for certain items that you may ask us to buy for you such as cemetery or crematory services, flowers, and newspaper notices. The prices for these items will be shown on your bill or the statement describing the funeral goods and services you selected.

II. Professional Services of Funeral Director and Staff:

A. Minimum Services of Funeral Director and Staff \$ _____

Our charge includes (*Note to establishment: List what your charge includes.)

This fee for our services will be added to the total cost of the funeral arrangements you select. This fee is already included in our charges for direct cremations, immediate burials, and forwarding or receiving remains. (*Note to establishment: This paragraph must be added if it applies at your funeral home.)

B. Optional Services of Funeral Director and Staff \$-

III. Funeral Home Facilities

A. Basic Facilities

\$ _____

Our charge includes (*Note to establishment: List what your charge includes.)

B. Facilities for visitation and viewing

\$ _____

Our charge includes (*Note to establishment: List what your charge includes.)

C. Facilities for funeral ceremony

\$ _____

Our charge includes (*Note to establishment: List what your charge includes.)

IV. Embalming

A. Normal remains.

\$ _____

B. Autopsy remains.

\$ _____

Except in certain special cases, embalming is not required by law. Embalming may be necessary, however, if you select certain funeral arrangements such as a funeral with viewing. If you do not want embalming, you usually have the right to choose an arrangement which does not require you to pay for it, such as direct cremation or immediate burial.

V. Other Preparation of the Deceased

\$ _____

(*Note to establishment: List as below each preparation service that you offer and the price.)

A.

\$ _____

B.

\$ _____

C.

\$ _____

(etc.)

VI. Immediate Burial (List price range)

\$ _____ to \$ _____

(*Note to establishment: A price range must be given for an immediate burial. The lowest price would be your immediate burial package with container provided by purchaser. The highest price would be your immediate burial package plus your most expensive casket. See below.)

Our charge includes (*Note to establishment: List what your charge includes.)

A. Immediate burial with container provided by purchaser.

\$ _____

B. Immediate burial with minimum casket

\$ _____

C. Immediate burial with the use of any other than the minimum casket would be this fee PLUS the casket selected by the purchaser. (*Note to establishment: Your lowest price for the basic immediate burial package would go here. The purchaser could then add this basic price to the price of the casket to arrive at the total price under this category. The basic price listed here must match the lowest price in the price range above.)

\$ _____

VII. Direct Cremation (List price range)

\$ _____ to \$ _____

(*Note to establishment: A price range must be given for a direct cremation. The lowest price would be your direct cremation package with a container provided by the purchaser. Your highest price would be your direct cremation package plus an unfinished wooden box, or your highest price could be listed like the price in IX(c) above in immediate burials.)

Our charge includes (*Note to establishment: List what your charge includes.)

State and local laws do not require a casket for direct cremation. If you want to arrange a direct cremation, you can use an unfinished wood box or an alternative container. Alternative containers can be made of materials like heavy cardboard or composition materials (with or without an outside covering), or pouches of canvas.

A. Direct cremation with container provided by the purchaser.

\$ _____

B. Direct cremation with alternative container.

\$ _____

C. Direct cremation with unfinished wooden box.

\$ _____

D. Direct cremation with the use of any other than the above would be this fee PLUS the casket selected by the purchaser. (*Note to establishment: This is optional.)

\$ _____

VIII. Transfer of Remains to Funeral Establishment

\$ _____

(*Note to establishment: This is added only when it is not included under professional services and you choose it to be a separate price. You must explain what this charge includes if listed separately.)

IX. Forwarding Remains to Another Funeral Home

\$ _____

APPENDIX II

OUTER BURIAL CONTAINER PRICE LIST
CASKET PRICE LIST

Note to Establishments: The following Outer Burial Container Price List and Casket Price List has been prepared as a guideline. You must have a list that is identified separately as an outer burial container list and a casket price list. All Outer Burial Container Price Lists and Casket Price Lists must contain at least the following content if you offer the goods and services for sale at your establishment. You may use any format arrangement you choose and may add to this information to fit your establishment's services.

These sample forms have notes throughout that are for your information only and are not intended to be included on the form when you prepare the form for use at your establishment. The Board has marked these notes with asterisks (*).

The statements in italics are required by the Federal Trade Commission and the Board. They may be placed in any location on the outer burial container and casket price lists.

Our charge includes (*Note to establishment: List what your charge includes.)

X. Receiving Remains from Another Funeral Home \$ _____

Our charge includes (*Note to establishment: List what your charge includes.)

XI. Automotive Equipment

(*Note to establishment: Specify that local service is only for so many miles. If per-mile fee is charged beyond local miles, please specify the fee. List all automotive equipment that you own and offer to sell as a service. List the cost of each one purchased on the itemized statement. Any vehicles that you rent would be included on the itemized statement as a cash advance item.)

XII. Funeral Merchandise

A. Caskets \$ _____ to \$ _____

A complete price list will be provided at the funeral home.

B. Outer Burial Container \$ _____ to \$ _____

A complete price list will be provided at the funeral home.

In most areas of the country, no state or local law requires you to buy a container to surround the casket in the grave. However, many cemeteries ask that you have a container so that the grave will not sink. Either a burial vault or a grave liner will satisfy these requirements.

C. Cremation Urns \$ _____ to \$ _____

A complete price list will be provided at the funeral home.

D. Cremation Vault (*if used) \$ _____ to \$ _____

A complete price list will be provided at the funeral home.

E. (*Note to establishment: Continue to list all funeral merchandise that you offer. A price range is only required on the first four above. This list must also include acknowledgement cards, register book, and memorial folders if you offer them for sale.)

APPENDIX II

Any Funeral Home
Main Street
Anytown, Virginia
Telephone Number

OUTER BURIAL CONTAINER PRICE LIST

(* These prices must accompany General Price List or be included in the General Price List)

These prices are effective as of (DATE). Prices are subject to change without notice.

In most areas of the country, no state or local law requires you to buy a container to surround the casket in the grave. However, many cemeteries ask that you have a container so that the grave will not sink. Either a burial vault or a grave liner will satisfy these requirements.

Manufacturer	Description	Price
*List Manufacturers	*Describe containers	\$ _____

Warranties

The only warranty on the casket or outer burial container, or both, sold in connection with this service is the express written warranty, if any, granted by the manufacturer. This funeral home makes no warranty, express or implied, with respect to the casket or outer burial container, or both.

APPENDIX II-A

Any Funeral Home
Main Street
Anytown, Virginia
Telephone Number

CASKET PRICE LIST

(* These prices must accompany General Price List or be included in the General Price List)

These prices are effective as of (DATE). Prices are subject to change without notice.

Manufacturer	Description	Price
*List Manufacturers	*Describe Containers	

Warranties

The only warranty on the casket or outer burial container, or both, sold in connection with this service is the express written warranty, if any, granted by the manufacturer. This funeral home makes no warranty, express or implied, with respect to the casket or outer burial container, or both.

APPENDIX III

Any Funeral Home
Main Street
Anytown, Virginia
Telephone Number

Itemized Statement of Funeral Goods and Services Selected

Funeral Services for _____ Date of Death _____ Today's Date _____

APPENDIX III

ITEMIZED STATEMENT

Note to Establishments: The following Itemized Statement has been prepared as a guideline. All Itemized Statements must contain at least the following content if you offer the goods and services for sale at your establishment. You may use any format arrangement you choose and may add to this information to fit your establishment's services.

This sample form has notes throughout that are for your information only and are not intended to be included on the form when you prepare the form for use at your establishment. The Board has marked these notes with asterisks (*).

The statements in italics are required by the Federal Trade Commission and the Board. They may be placed at any location on the itemized statement.

I. PROFESSIONAL SERVICES

- A. Minimum Services of Funeral Director and Staff \$ _____
- B. Optional Services of Funeral Director and Staff \$ _____

II. FUNERAL HOME FACILITIES

- A. Use of basic facilities, administration, arrangement and preparation rooms \$ _____
- B. Use of facilities for viewing/visitation (each night and portion of any day) \$ _____
- C. Use of facilities for funeral ceremony (chapel or rooms) \$ _____
- D. Other \$ _____

III. EMBALMING

If you selected a funeral which requires embalming, such as a funeral with a viewing, you may have to pay for embalming you did not approve if you selected arrangements such as a direct cremation or immediate burial. If we charge for embalming, we will explain why below.

- 1. Normal remains \$ _____
- 2. Autopsy remains \$ _____

Embalming Authorized By: _____

Reason for Embalming: _____

IV. OTHER PREPARATION OF THE BODY

(*Note to establishment: List in spaces below each preparation service that you offer and the price of those purchased.)

- A. \$ _____
- B. \$ _____
- C. \$ _____

V. IMMEDIATE BURIAL

Charge includes (*Note to establishment: Briefly list what charge includes.)

VI. DIRECT CREMATION \$ _____

Charge includes (*Note to establishment: Briefly list what charge includes.)

VII. TRANSFER OF REMAINS TO FUNERAL ESTABLISHMENT \$ _____

(*Note to establishment: This is listed separately only when you list it as a separate charge on your General Price List.)

VIII. FORWARDING REMAINS TO ANOTHER FUNERAL HOME \$ _____

Charge includes (*Note to establishment: Briefly list what charge includes.)

IX. RECEIVING REMAINS FROM ANOTHER FUNERAL HOME \$ _____

Charge includes (*Note to establishment: Briefly list what charge includes.)

X. AUTOMOTIVE EQUIPMENT

Local service beyond _____ miles, add \$ _____ per vehicle. (*Note to establishment: This statement must be included if this is your practice. List below all automotive equipment that you own

and offer to sell as a service. Any vehicles that you rent would be a cash advance item.)

XI. FUNERAL MERCHANDISE

- A. Casket (*describe) _____ \$ _____
- B. Outer Burial Container (*describe) _____ \$ _____
- C. Cremation Urns (*describe) _____ \$ _____
- D. Cremation Vault (*describe) _____ \$ _____

E. (*Note to establishment: Continue to list all funeral merchandise that you offer. You do not have to describe any others.)

XII. ANTICIPATED CASH ADVANCE ITEMS

(*Note to establishment: List all cash advance items that you are willing to arrange for the purchaser.)

- A. \$ _____
- B. \$ _____
- C. \$ _____

SUMMARY

(*Note to establishment: Leave dollar amount blank or mark N/A if fee does not apply)]

- 1. Subtotal: Professional Services \$ _____
- 2. Subtotal: Funeral Merchandise \$ _____
- Va. Sales Tax on Funeral Merchandise \$ _____
- 3. Subtotal: Anticipated Cash Advances \$ _____

TOTAL FUNERAL ACCOUNT \$ _____

Additional late purchase cash advances \$ _____

FINAL TOTAL FUNERAL ACCOUNT \$ _____

Unit Price (if less than above): \$ _____

APPENDIX IV

EMBALMING RECORD

DISCLOSURES

Charges shown are only for those items that are used. If we are required by law, to purchase any items, we will explain the reasons in writing below:

The only warranty on the casket or outer burial container, or both, sold in connection with these services is the express written warranty, if any, granted by the manufacturer. This funeral home makes no warranty, express or implied, with respect to the casket or outer burial container, or both.

ACKNOWLEDGMENT AND AGREEMENT

I/we hereby acknowledge that I/we have the legal right to arrange the final services for the deceased, and I/we authorize _____ to perform services, furnish goods, and incur outside charges specified on the Statement. I/we acknowledge that I/we have received, on this date, the General Price List and the Casket Price List and Outer Burial Container Price List. I/we also acknowledge execution and receipt of a copy of this Statement.

TERMS OF PAYMENT

(*Note to establishment: Describe your terms of payment here.)

Co-signed _____	Dated _____	Signed _____	Dated _____
Street _____		Street _____	
City _____	State _____	Zip _____	City _____
			State _____
			Zip _____

Acceptance: (Name of Funeral Home) agrees to provide all services, merchandise, and cash advances indicated on this Statement.

By Licensed Funeral Director or
Funeral Service Licensee

Note to Establishments: The following Embalming Record has been prepared as a guideline. All Embalming Records must contain at least the following items. You may use any format arrangement you choose and may add to this information to fit your establishment's services.

This sample form has notes throughout that are for your information only and are not intended to be included on the form when you prepare the form for use at your establishment. The Board has marked these notes with asterisks (*).

Any Funeral Home
Main Street
Anytown, Virginia
Telephone Number

Embalming Record

I. General Information

A. Deceased

Name of Deceased _____
Date of Death _____

B. Embalming

Date of Embalming _____
Name of Embalmer _____
License # of Embalmer _____

C. Autopsy Information (if applicable)

Autopsy: _____ yes _____ no
_____ Cranial
_____ Trunk
_____ Arterial Embalming before autopsy
Disposition of Viscera _____

II. Condition of Remains Prior to Embalming

_____ Dehydration _____ Skin Slip
_____ Discolorations _____ Subcutaneous emphysema
_____ Edema _____ Tissue Gas
_____ Emaciation _____ Trauma
_____ Gangrene _____ Ulceration
_____ Purge _____ Other
_____ Rigor Mortis

Describe and explain the extent of any conditions checked above:

III. Injection

A. Type of Injection

_____ Single Point
_____ Multi-site
_____ Other

B. Initial Artery Injected

_____ Carotid: _____ right _____ left
_____ Femoral: _____ right _____ left
_____ Axillary: _____ right _____ left
_____ other: _____

C. Other Arteries Injected

_____ Carotid: _____ right _____ left
_____ Femoral: _____ right _____ left
_____ Axillary: _____ right _____ left
_____ Radial: _____ right _____ left
_____ Other: _____

D. Drainage Veins

_____ Jugular: _____ right _____ left
_____ Femoral: _____ right _____ left
_____ Axillary: _____ right _____ left
_____ Other: _____

IV. Fluids

A. Pre-Injection

Fluid: _____
Dilution Rate: _____
Total Volume: _____

B. Arterial Injection

Fluid: _____
Ounces per Gallon: _____
Fluid: _____
Ounces per Gallon: _____

Total Solution Volume Injected: _____

C. Accessory Fluids (List type and amount)

_____ H2O conditioner: _____
_____ Humectant: _____

* * * * *

Title of Regulation: VR 320-01-3. Regulations for Preneed Funeral Planning.

Statutory Authority: §§ 54.1-2400, 54.1-2803(10) and 54.1-2820 of the Code of Virginia.

Public Hearing Date: N/A – Written comments may be submitted until April 27, 1992.

(See Calendar of Events section for additional information)

Summary:

The Board of Funeral Directors and Embalmers approved the proposed amended regulations entitled Preneed Regulations of the Board of Funeral Directors and Embalmers for publication in the Register. The amended regulations are designed to bring current regulations into compliance with 1991 legislation requiring insurance policies and annuity contracts which fund preneed contracts to offer a minimum rate of return. The amendments also require the funeral home to keep written verification of the rate of return on file on the premises.

VR 320-01-3. Regulations for Preneed Funeral Planning.

PART I.
GENERAL INFORMATION.

§ 1.1. Definitions.

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

"At need" means at the time of death or while death is imminent.

"Board" means the Board of Funeral Directors and Embalmers.

"Capper" means a person who serves as a lure or decoy to entice another to purchase a product. A shill.

"Cash advance item" means any item of service or merchandise described to a purchaser as a "cash advance," "accommodation," "cash disbursement," or similar term. A cash advance item is also any item obtained from a third party and paid for by the funeral provider on the behalf of the contract buyer. Cash advance items may include, but are not limited to, the following items: cemetery or crematory services, pallbearers, public transportation, clergy honoraria, flowers, musicians or singers, nurses, obituary notices, gratuities, and death certificates.

"Consideration" means money, property, or any other thing of value provided to be compensation to a contract

seller or contract provider for the funeral services and funeral goods to be performed or furnished under a preneed funeral contract. Consideration does not include late payment penalties, and payments required to be made to a governmental agency at the time the contract is entered into.

"Contract" means a written, preneed funeral contract and all documents pertinent to the terms of the contract under which, for consideration paid to a contract seller or a contract provider by or on behalf of a contract buyer prior to the death of the contract beneficiary, a person promises to furnish, make available, or provide funeral services or funeral goods after the death of a contract beneficiary.

"Contract beneficiary" means the individual for whom the funeral services and supplies are being arranged.

"Contract buyer" means the purchaser of the preneed contract.

"Contract provider" means the funeral establishment designated by the contract buyer and contracting with the contract buyer to provide for funeral services and supplies in the preneed funeral contract.

"Contract seller" means the funeral service licensee who makes the preneed arrangements with the contract buyer for the funeral service and who makes the financial arrangements for the service and the goods and supplies to be provided.

"Contract price" means the same as consideration.

"Department" means the Department of Health Professions.

"Designee" means the individual selected by the contract beneficiary to arrange a preneed funeral plan on behalf of the contract beneficiary.

"Executive director" means the administrator of the Board of Funeral Directors and Embalmers.

"Funding source" means the trust agreement, insurance policy, annuity, personal property, or real estate used to fund the preneed plan.

"Funds" means the same as "consideration."

"Funeral supplies and services" means the items of merchandise sold or offered for sale or lease to consumers which will be used in connection with a funeral or an alternative to a funeral or final disposition of human remains including caskets, combination units, and catafalques. Funeral goods does not mean land or interests in land, crypts, lawn crypts, mausoleum crypts, or niches that are sold by a cemetery which complies with § 57-35.11 et seq. of the Code of Virginia. In addition, "funeral supplies and services" does not mean cemetery

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burial vaults or other outside containers, markers, monuments, urns, and merchandise items used for the purpose of memorializing a decedent and placed on or in proximity to a place of interment or entombment of a casket, catafalque, or vault or to a place of inurnment which are sold by a cemetery operating in accordance with § 57-35.11 et seq. of the Code of Virginia.

"Funeral service establishment" means any main establishment, branch, or chapel where any part of the profession of funeral directing or the act of embalming is performed.

"General advertising" means advertisement directed to a mass market including, but not limited to, direct mailings; advertisements in magazines, flyers, trade journals, newspapers; advertisements on television and radio; bulk mailings; and direct mailing to a mass population.

"Guaranteed contract price" means (i) the amount paid by the contract buyer on a preneed funeral contract, and income derived from that amount, or (ii) the amount paid by a contract buyer for a life insurance policy or annuity as the funding source and its increasing death benefit. These amounts shall be accepted as payment in full for the preselected funeral goods and services.

"Income" means the amount of gain received in a period of time from investment of consideration paid for a preneed contract.

"In-person communication" means face-to-face communication and telephonic communication.

"Nonguaranteed contract price" means the costs of items on a preneed funeral contract that are not fixed for the specified funeral goods or funeral services selected and nonguaranteed costs may increase from the date of the contract to the death of the contract beneficiary and the family or estate will be responsible for paying at the time of need for the services and supplies that were nonguaranteed. Cash advance items are not guaranteed.

"Preneed" means at any time other than at-need.

"Preneed funeral contract" means any agreement where payment is made by the contract buyer prior to the receipt of services or supplies contracted for, which evidences arrangements prior to death for: (i) the providing of funeral services or (ii) the sale of funeral supplies.

"Preneed funeral planning" means the making of arrangements prior to death for: (i) the providing of funeral services or (ii) the sale of funeral supplies.

"Solicitation" means initiating contact with consumers with the intent of influencing their selection of a funeral plan or a funeral service provider.

"Steerer" means an individual used to direct the course

of action and choice of the buyer in a preneed funeral contract sale.

§ 1.2. Legal base.

The following legal base describes the responsibility of the Board of Funeral Directors and Embalmers to promulgate regulations governing preneed funeral planning and plans in the Commonwealth of Virginia:

Title 54.1, Chapter 28, Article 1, § 54.1-2803 and Article 5 (§ 54.1-2820 et seq.) of the Code of Virginia.

§ 1.3. Purpose.

These regulations establish the standards to regulate preneed funeral contracts and preneed funeral trust accounts as prescribed in Chapter 28 of Title 54.1 of the Code of Virginia.

§ 1.4. Applicability.

Subject to these regulations are (i) funeral service licensees, (ii) funeral establishments, and (iii) resident trainees assisting the licensee in the preneed arrangement. All of the above shall be operating in the Commonwealth of Virginia in order to qualify to sell preneed.

Exemptions: These regulations do not apply to the preneed sale of cemetery services or supplies regulated under Article 3.2, Chapter 3, Title 57 (§ 57-35.11 et seq.) of the Code of Virginia.

PART II. SALE OF PRENEED PLANS.

§ 2.1. Qualifications of seller.

A. A person shall not engage in or hold himself out as engaging in the business of preneed funeral planning unless he is licensed for funeral service by the Board of Funeral Directors and Embalmers.

B. All individuals selling preneed funeral plans shall comply also with the Rules and Regulations for Funeral Directors and Embalmers promulgated by the board.

§ 2.2. Solicitation.

A. A licensee shall not initiate any preneed solicitation using in-person communication by the licensee, his agents, assistants, or employees.

Exception: General advertising and solicitation other than in-person communication is acceptable.

B. After a request to discuss preneed planning is initiated by the contract buyer or interested consumer, any contact and in-person communication shall take place only with a funeral service licensee.

C. A licensee shall not employ persons known as "cappers" or "steerers," or "solicitors," or other such persons to participate in preneed sales.

D. A licensee shall not employ directly or indirectly any agent, employee, or other person, part or full time, or on a commission, for the purpose of calling upon individuals to influence, secure, or otherwise promote preneed sales.

E. Direct or indirect payment or offer of payment of a commission to others by the licensee, his agents, or employees for the purpose of securing preneed sales is prohibited.

F. No licensee engaged in the business of preneed funeral planning or any of his agents shall accept, advertise, or offer enticements, bonuses, rebates, discounts, restrictions to, or otherwise interfere with the freedom of choice of the general public in making preneed funeral plans.

PART III. OPERATIONAL RESPONSIBILITIES.

§ 3.1. Records: general.

A. A licensee shall keep accurate accounts, books, and records of all transactions required by these regulations.

B. Preneed contracts shall be retained on the premises of the establishment for three years after the death of the contract beneficiary.

C. Required preneed reporting documents shall be retained on the premises of the establishment for three years. (See §§ 3.2A and 6.1D)

D. When insurance or annuity contracts are used to fund preneed arrangements, a licensee shall keep on file a written verification from the insurance company that the insurance or annuity contract complies with § 54.1-2820 B of the Code of Virginia. (See subdivisions 6 a and 6 b of § 5.9 of these regulations.)

E. All preneed records shall be available for inspection by the department.

§ 3.2. Record reporting.

A. A contract provider shall keep a chronological listing of all preneed contracts. The listing shall include the following:

1. Name of contract buyer;
2. Date of contract;
3. How contract was funded;
4. Whether up to 10% of funds are retained by the contract provider for contracts funded through trust;

and

5. Whether funeral goods and supplies are stored for the contract buyer.

B. A contract provider who discontinues its business operations shall notify the board and each existing contract buyer in writing.

PART IV. CONTRACT.

§ 4.1. Content and format.

A. A person residing or doing business within the Commonwealth shall not make, either directly or indirectly by any means, a preneed contract unless the contract:

1. Is made on forms prescribed by the board (see Appendix I); or
2. Is made on forms approved by the board prior to use (see subsection B of this section).

B. Prior to use, contracts or disclosures which are not identical in format, wording, and content to that prescribed in Appendices I and II shall be approved by the board.

C. Contracts and disclosure forms prescribed in Appendices I and II shall be received in the board office no later than 10 days prior to a regularly scheduled meeting of the board to be considered for approval by the board at that meeting.

D. All preneed contracts shall be in writing.

E. All information on a preneed contract and disclosure statement shall be printed in a clear and easy-to-read type, style, and in a type size not smaller than 10 points.

F. Preneed contracts and disclosure statements shall be written in clear, understandable language.

G. The contract shall identify the following:

1. The contract seller;
2. Funeral license number of the contract seller;
3. The contract buyer;
4. The contract beneficiary;
5. The date of the contract;
6. The contract number;
7. A complete description of the supplies or services purchased;

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8. Whether the price of the supplies and services purchased is guaranteed;

9. Whether the price of the supplies and services purchased is not guaranteed;

10. Any penalties or restrictions:

a. Geographic restrictions including maximum number of miles traveled without charging an extra fee;

b. Geographic restrictions including maximum number of miles the establishment is willing to travel;

c. The inability of the provider to perform the request of the buyer on merchandise, services, or prearrangement guarantees;

11. All disclosure requirements imposed by the board (see Appendix II); and

12. The designee agreement when applicable.

H. The contract or the disclosure statement as a part of the contract shall contain the name, address, and telephone number of the board and list the board as the regulatory agency which handles consumer complaints.

I. All preneed contracts shall be signed by the contract seller and the contract buyer.

PART V. FUNDING.

Article 1. General.

§ 5.1. A licensee shall not charge finance charges on a preneed arrangement.

§ 5.2. Cancellation of contract.

Any person who makes payment under this contract may terminate the agreement at any time prior to the time for which the services or supplies are furnished.

A. Cancellation within 30 days of contract date.

If the contract buyer terminates the contract within 30 days of the execution of the contract, the contract buyer shall be refunded:

1. All consideration paid or delivered; and

2. Any interest or income accrued thereon.

B. Cancellation after 30 days of contract date.

If the purchaser uses a funding source other than an

insurance or annuity policy and terminates the contract after 30 days of the execution of the contract, the contract buyer shall be refunded:

1. All consideration paid or delivered on nonguaranteed items;

2. At least 90% of all consideration paid for guaranteed items; and

3. All interest or income accrued thereon.

§ 5.3. Escrow account.

Within two banking days after the day of receipt of any money from the contract buyer and until the time the money is invested in a trust, life insurance, or annuity policy, the contract seller or the contract provider shall deposit the money into an escrow account in a bank or savings institution approved to do business in the Commonwealth.

§ 5.4. Real estate.

When the consideration consists in whole or in part of any real estate, the following shall occur:

1. The preneed contract shall be recorded as an attachment to the deed whereby the real estate is conveyed; and

2. The deed shall be recorded in the clerk's office in the circuit court of the city or county in which the real estate being conveyed is located.

§ 5.5. Personal property.

When the consideration consists in whole or in part of any personal property, the following shall occur:

1. Personal property shall be transferred by:

a. Actual delivery of the personal property; or

b. Transfer of the title to the personal property.

2. Within 30 days of receiving the personal property or the title to the personal property, the licensee or person delivering the property shall:

a. Execute a written declaration of trust setting forth the terms, conditions, and considerations upon which the personal property is delivered; and

b. Record the trust agreement in the clerk's office of the circuit court of the locality in which the person delivering the property is living; or

c. Record the preneed contract in the clerk's office of the circuit court of the locality in which the person delivering the property or trust agreement is

living provided that the terms, conditions, and considerations in § 5.4 2 a are included in the preneed contract.

§ 5.6. Right to change contract provider.

The contract buyer shall have the right to change the contract provider and the trustee at any time prior to the furnishing of the services or supplies contracted for under the preneed contract.

§ 5.7. Exemption from levy, garnishment or distress.

Any money, personal property, or real estate paid, delivered, or conveyed subject to §§ 54.1-2822 through 54.1-2823 shall be exempt from levy, garnishment, or distress.

Article 2. Trust Accounts.

§ 5.8. Trust accounts.

A. If funds are to be trusted, the following information shall be disclosed in writing to the contract buyer:

1. The amount to be trusted;
2. The name of the trustee;
3. The disposition of the interest;
4. The fees, expenses, and taxes which may be deducted from the interest;
5. Whether up to 10% is retained by the contract provider; and
6. A statement of the contract buyer's responsibility for taxes owed on the interest.

B. If the contract buyer chooses a trust account as the funding source, within 30 days following the date of the receipt of any money paid for a trust-funded preneed contract or interest or income accrued (see § 5.3), the licensee shall transfer the money from the escrow account and deposit the following amount in a trust account in a bank or saving institution doing business in Virginia:

1. Nonguaranteed prices. All consideration shall be deposited for a preneed funeral contract in which prices of supplies and services are not guaranteed.
2. Guaranteed prices. At least 90% of all consideration shall be deposited for a preneed contract in which the prices of goods and services are guaranteed.

C. The trust funds shall be deposited in separate, identifiable accounts setting forth:

1. Name of depositor;

2. Contract beneficiary;
3. Trustee for contract beneficiary; and
4. Name of establishment which will provide the goods and services.

Article 3. Life Insurance or Annuity.

§ 5.9. Life insurance or annuity.

If a life insurance or annuity policy is used to fund the preneed funeral contract, the following shall be disclosed in writing:

1. The fact that a life insurance policy or annuity contract is involved or is being used to fund the preneed contract;
2. The following information:
 - a. Name of the contract provider;
 - b. Name of contract seller;
 - c. Funeral license number of contract seller;
 - d. Place of employment of contract seller;
 - e. Name of insurance agent;
 - f. Identification as to whether the insurance agent is a funeral service licensee, and if so, license number;
 - g. Insurance agent's insurance license number;
 - h. Insurance agent's employer;
 - i. Insurance company represented by insurance agent.
3. The relationship of the life insurance policy or annuity contract to the funding of the preneed contract;
4. The nature and existence of any guarantees relating to the preneed contract from the policy or annuity;
5. The impact on the preneed contract of:
 - a. Any changes in the life insurance policy or annuity contract including changes in the assignment, contract provider, or use of the proceeds;
 - b. Any penalties to be incurred by the policy holder as a result of failure to make premium payments;
 - c. Any penalties to be incurred or moneys to be

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received as a result of cancellation or surrender of the life insurance policy or annuity contract; and

d. All relevant information concerning what occurs and whether any entitlements or obligations arise if there is a difference between the proceeds of the life insurance policy or annuity contract and the amount actually needed to fund the preneed contract.

6. *The fact that the life insurance or annuity contract complies with § 54.1-2820 B of the Code of Virginia which states that the life insurance or annuity contract shall provide that either:*

a. The face value thereof shall be adjusted annually by a factor equal to the Consumer Price Index as published by the Office of Management and Budget of the United States; or

b. A benefit payable at death under such contract that will equal or exceed the sum of all premiums paid for such contract plus interest thereon at the annual rate of at least 5.0% compounded annually.

PART VI. BONDING.

§ 6.1. Bonding.

A. A performance bond shall be required on the following:

1. The contract provider which retains up to 10% of the consideration invested in a trust account; or

2. The retail price of funeral goods and supplies which are stored by the contract provider for the contract beneficiary prior to the death of the contract beneficiary.

B. The establishments described in subsection A of this section shall arrange for their own bonding.

C. The amount of bond required shall be based upon the risk of loss determined by the bonding company.

D. The following information concerning the bond shall be maintained at the funeral establishment: (See § 3.1 A, C and D)

1. Amount of the bond;

2. Company holding the bond;

3. Documentation that company holding the bond is duly authorized to issue such bond in the Commonwealth ; and

4. Renewal requirements of the bond.

PART VII. SUPPLIES AND SERVICES.

§ 7.1. General.

A. If the contract seller will not be responsible for furnishing the supplies and services to the contract buyer, the contract seller shall attach to the preneed funeral contract a copy of the contract seller's agreement with the contract provider.

B. If any funeral supplies are sold and delivered prior to the death of the contract beneficiary, and the contract seller, contract provider, or any legal entity in which the contract provider or a member of his family has an interest thereafter stores these supplies, the risk of loss or damage shall be upon the contract seller or contract provider during such period of storage.

C. If the particular supplies and services specified in the contract are unavailable at the time of delivery, the contract provider shall be required to furnish supplies and services similar in style and at least equal in quality of material and workmanship.

D. The representative of the deceased shall have the right to choose the supplies or services to be substituted in subsection C of this section.

PART VIII. DESIGNEE AGREEMENT.

§ 8.1. Designee.

A. A designee agreement shall be used only when the contract beneficiary is mentally alert and capable of appointing his own designee.

B. Any person may designate through the use of the designee agreement a designee who shall make arrangements for the contract beneficiary's burial or the disposition of his body for burial.

C. The designee agreement shall be:

1. In writing;

2. Accepted in writing by designee and the designee's signature notarized; and

3. Attached to the preneed contract as a valid part of the contract.

APPENDIX I.

PRENEED FUNERAL CONTRACT PRESCRIBED BY THE BOARD.

.....
.....
.....

PRENEED FUNERAL CONTRACT
for

(Name of Recipient of Services)

.....

.. (Zip) ..

I. SUPPLIES AND SERVICES PURCHASED

The prices of goods and services below MAY BE GUARANTEED provided the total is paid in full and all interest earned is allowed to accumulate in your account. If any of the prices are guaranteed, no additional cost will incur for your family or estate even though the actual prices of goods and services may increase between the date of this contract and the time of need. (Please see the disclosure document).

Services Purchased

Minimum services of staff	\$.....
Optional staff services	\$.....
Basic facilities	\$.....
Facilities for viewing	\$.....
Facilities for ceremony	\$.....
Other facilities/equipment	\$.....
Embalming	\$.....
Other preparation of body	\$.....
Alternate care	\$.....
Transfer of remains	\$.....
Funeral coach	\$.....
Flower car	\$.....
Lead/service car	\$.....
Mileage @ \$..... (Outside service area)	
Other	\$.....

(Direct Cremation)

(Immediate Burial)

(Forwarding to Another Funeral Home)

(Receiving from Another Funeral Home)

Sub-Total Cost of (Guaranteed) Services
Purchased: \$.....

Supplies Purchased

Casket (Describe)	\$.....
Outer burial container (Describe)	\$.....
Alternative container	\$.....
Cremation urn	\$.....
Shipping container	\$.....
Clothing	\$.....
Temporary marker	\$.....
Acknowledgment cards @.....	\$.....
Register/attendance books @.....	\$.....
Memorial folders @.....	\$.....
Other	\$.....

Sub-Total Cost of (Guaranteed) Supplies Purchased:
\$.....

The actual prices of goods and services below are NOT GUARANTEED. These items may include, but not be limited to, obituary notices; death certificates; cemetery fees; flowers; sales tax; etc. The prices are estimated and the estimates will be included in the Grand Total Contract Price. The differences between the estimated prices below and the actual cost will be settled with your family or estate at the time of need:

.....	\$.....
.....	\$.....
.....	\$.....
.....	\$.....
.....	\$.....
.....	\$.....
.....	\$.....
.....	\$.....
.....	\$.....
.....	\$.....

Sub-Total estimated cost of Non-guaranteed items

\$.....

GRAND TOTAL FOR PRENEED ARRANGEMENTS

1. Total cost of (Guaranteed) Services Purchased
(Total taken from
p 1)
\$.....

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2. Total cost of (Guaranteed) Supplies Purchased (Total taken from p 2)
 \$.....

3. Total Estimated cost of non-guaranteed Items (Total taken from p 2)
 \$.....

GRAND TOTAL
 \$.....

either that:

..... The face value thereof shall be adjusted annually by a factor equal to the Consumer Price Index as published by the Office of Management and Budget of the United States; or

..... A benefit payable at death under such contract that will be equal or exceed the sum of all premiums paid for such contract plus thereon at the annual rate of at least five percent, compounded annually.

Method of Funding

- A. Insurance
- B. Trust

 - 1. Amount to be trusted:
 - 2. Name of trustee:
 - 3. Disposition of Interest:
 - 4. Fees, expenses, taxes deducted from earned interest:
 - 5. Buyer's responsibility for taxes owned on interest: ..

The only warranties, express or implied, granted in connection with the goods sold in this preneed funeral contract, are the express written warranties, if any, extended by the manufacturers thereof. No other warranties and no warranties of MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE are extended by the (funeral home).....

II. GENERAL INFORMATION

In order that the Buyer may understand the relationship of all parties involved in this preneed arrangement and contract, the following is provided:

- A. Buyer:
- B. Funeral Home Providing Services:
- C. Preneed Arranger:

 - Employed by: (Funeral Home)
 - Licensed Funeral Director in Virginia:
yes.....no
 - Funeral Director License Number:

III. CONSUMER INFORMATION

The Board of Funeral Directors and Embalmers is authorized by § 54.1-2800 et. seq. of the Code of Virginia to regulate the practice of preneed funeral planning. Consumer complaints should be directed to:

The Board of Funeral Directors and Embalmers
 1601 Rolling Hills Drive
 Suite 200
 Richmond, Virginia 23229-5005
 Telephone Number 804-662-9907
 Toll Free Number 1-800-533-1560

The following information will be given if an insurance policy or annuity contract is used to fund this agreement:

- A. Buyer:
- B. Insurance Company:.....
- C. Insurance Agent:.....

 - Employed by: (Insurance Company)
 - Licensed Funeral Director in Virginia:
yes..... no
 - Funeral Director License Number
 (If Applicable):
 - Employed by (If Applicable):
 (Funeral Home).....

IV. DISCLOSURES

The Disclosure statements will be available for your review. The General Price List shall be furnished to you by the preneed arranger. These contain information that you must receive by law and/or the authority of the Board of Funeral Directors and Embalmers. You are entitled to receive all information in clear and simple language including the language of the funding agreement for this preneed arrangement.

If any law, cemetery, or crematory requires the purchase of any of those items listed in Part I, the requirements will be explained in writing.

By signing this contract, buyer acknowledges availability of and opportunity to read a copy of all of the required documents.

D. The life insurance or annuity contract provides

V. TERMINATION OF CONTRACT

This person who funds this contract through a trust agreement may terminate this preneed contract at any time prior to the furnishing of the services or supplies contracted for:

Within 30 days

If you terminate this preneed contract within thirty days of the date of this contract, you will be refunded all payments of whatever type you have made, plus any interest or income you may have earned.

More than 30 days

If you terminate this preneed contract more than thirty days after the date on this contract, you will be refunded whatever amount was required to be placed in a revocable trust fund, plus any interest or income it has earned.

Any person who funds this contract through a trust fund which is irrevocable or through an insurance/annuity policy or through the transfer of real estate/personal property may not be eligible for a refund.

VI. STATEMENT OF GUARANTEE

By signing this contract, (Funeral Home) agrees to the statement checked below (check one):

..... Pre-financing guarantees that no additional payment will be required from the family or estate for guaranteed services and supplies provided the Grand Total of these arrangements is paid in full and the interest is allowed to accumulate in your account (see page 4 for Grand Total amount). Payment of the difference will be required for the non-guaranteed estimated items if they increase in price.

..... The prices for items under supplies and services are not guaranteed.

VII. AGREEMENT

In witness whereof, the Buyer and the Funeral Home have executed this contract, intending its terms to be in accordance with the Code of Virginia and any regulations implementing the Code. By signing this contract you acknowledge that you have been provided access to and the opportunity to read the Disclosure Statements.

..... (Designee of Funeral Home) (Buyer)

..... (Funeral Home) (Contract Date)

VIII. PENALTIES OR RESTRICTIONS

The (funeral home)....., has the following penalties or restrictions on the provisions of this contract.

1. (Insert geographic restrictions);
2. (Insert an explanation of the Funeral Home's inability to perform the request(s) of the Buyer);
3. (Insert a description of any other circumstances which apply).
4. (Insert information that if particular goods and services specified in the contract are unavailable at the time of need):

A. The funeral home shall be required to furnish supplies and services similar in style and at least equal in quality of material and workmanship and

B. The representative of the deceased shall have the right to choose the supplies or services to be substituted.

Addendum to Preneed Contract

DESIGNEE AGREEMENT

I designate..... of (address)..... to assist with the preneed arrangements in my behalf. This individual is also authorized to work with the funeral home after my death to ensure that these arrangements are fulfilled. The relationship of my designee to me is.....

Buyer:..... Date:.....

I accept the request of (buyer)..... to assist with his/her preneed arrangements and to work with the funeral home after his/her death to ensure that these arrangements are fulfilled.

Designee:..... Date:.....

The foregoing was acknowledged before me this.... day of, 19....

Notary:.....

Date Commission Expires:.....

APPENDIX II.

DISCLOSURE STATEMENTS PRESCRIBED BY THE BOARD.

DISCLOSURES

We are required by law and/or the Virginia Board of Funeral Directors and Embalmers to provide access to and the opportunity for you to read the following information to assist you in preplanning. A question and answer format is used for clarity and includes the most

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commonly asked questions.

PRENEED CONTRACTS

– Is there more than one type of preneed agreement?

Yes.

Guaranteed contracts mean that the costs of certain individual items or the cost of the total package will never be more to your family or estate. Non-guaranteed means just the opposite. (See the section entitled “General Funding Information” for more information on guaranteed and non-guaranteed costs.)

Contracts may be funded by insurance/annuity policies, trusts, or transfer of real estate/personal property.

– What are my protections?

You should take your completed preneed contract home before you sign it and review it with your family or your legal advisor. You have a right to this review before you sign the contract or pay any money.

You should also read carefully the information in this disclosure statement. If you have any questions, contact the seller for more information or contact your legal advisor.

CANCELLATION

– Can I cancel my preneed agreement if I change my mind? Will I get my money back?

You may cancel payment for supplies or services within 30 days after signing the agreement. If you funded your preneed arrangement through a trust, the preneed arranger will refund all the money you have paid plus any interest or income you have earned.

If you funded your preneed arrangement through a revocable trust and you cancel the preneed contract AFTER the 30 day deadline, you will be refunded all of your money on the items that are not guaranteed and 90% of all your money on the items that are guaranteed. You will also receive any interest or income on that amount. A revocable trust is a trust that you can cancel.

There may be a penalty to withdraw money from a revocable trust account which has already been established in your name. If there is, your contract will give you this information. (See the first question under the section entitled “Payment” below.)

If you have funded your preneed arrangement through an irrevocable trust you will not be able to cancel the trust agreement or receive a refund. An irrevocable trust is one that cannot be cancelled.

If you funded your preneed arrangement through an

insurance policy/annuity contract which will be used at the time of your death to purchase the supplies and services you have selected, you will need to pay careful attention to the cancellation terms and conditions of the policy. You may not be eligible for a refund.

PAYMENT

– What happens to my money after the contract is signed?

Your money will be handled in one of several ways. It may be deposited in a separate trust account in your name. The trust account will list a trustee who will be responsible for handling your account. The funeral home you have selected as your beneficiary will also be listed. You have the right to change the funeral home and the trustee of your account prior to receiving the supplies and services under the preneed contract.

Your money may be used to purchase a preneed life insurance policy which may be used to pay for your arrangements upon your death. The proceeds of the policy will be assigned to the funeral home of your choice. You may change the funeral home assignment at any time prior to receiving the supplies and services under the preneed contract.

You may decide to choose a life insurance policy or a trust account that requires regular premium payments and not have to make an up-front, lump sum payment.

– May I pay for goods and services with real estate or personal property?

Yes. When you pay for these supplies and services in whole or in part with any real estate you may own, the preneed contract that you sign will be attached to the deed on the real estate and the deed will be recorded in the clerk's office of the circuit court in the city or county where the real estate is located.

If you pay for goods and services with personal property other than cash or real estate, the preneed arranger, will declare in writing that the property will be placed in a trust until the time of your death and will give you written information on all the terms, conditions, and considerations surrounding the trust. The preneed arranger will confirm in writing that he has received property.

You may decide not to transfer the title of the personal property to the preneed arranger of your preneed contract. In this situation, you will have to submit information to the preneed arranger in writing that you are giving him the property without a title, and describe the property and where it will be kept until the time of your death.

In either case, the written statements will be recorded in the clerk's office of the circuit court of the city or county in which you live. The written statement does not have to be separate document.

GENERAL FUNDING INFORMATION

– If the prices of the goods and services are affected by inflation between now and my death, will the funding I choose be adjusted accordingly?

There is a possibility that the funding may fail to keep up with inflation. This could mean that the funding you choose could have insufficient value to cover all expenses.

– What happens if my funding is not enough to cover the full cost of these arrangements?

If the entire funeral or specific items in the agreement are guaranteed by the preneed arranger, you family or estate will not have to pay any more for those items provided that you have paid the Grand Total in full and all interest earned is allowed to accumulate in your account. However, if you have not paid the account in full and have not allowed the interest to accumulate in the account, and any items increase in price, your family or estate would be responsible for the extra amount if the funds are not sufficient. In some situations where you pay toward your funding with regular premiums rather than in one lump sum, your account may not be enough at the time of your death to cover everything.

– What happens to the extra money if my funding is more than what is needed to pay for these arrangements?

Sometimes, as explained in the answer above, your funding account may not have had the time to grow sufficiently before your death to cover items which are guaranteed in price to you, yet have increased in price for the funeral home.

Sometimes after funeral expenses are paid, there may be money left over. Because of the on-going risk that a funeral home takes in guaranteeing prices for you, the funeral home may not be required to return this excess money.

Some funding agreements and funeral homes, however, require that extra money be returned to the estate or family. Others do not. You should obtain information concerning this in writing before signing the preneed contract.

The answers to the following questions will depend upon the terms and conditions of the individual's funding and preneed agreements. Please review your preneed contract and/or funding agreement for answers to these questions.

– What happens to my preneed contract if I change my assignment from one funeral home to another?
(Place answer here)

– What happens to my preneed contract if I change the beneficiary of my funding or the use of my proceeds from the funding.

If you make such changes, it could void your contract. You should request specific information from the preneed arranger and the funding arrangement.

– What will happen to my preneed contract if I fail to make agreed to premium payments to my funding source?
(Place answer here)

– Do I get any money back if I surrender or cancel my funding arrangements?
(Place answer here)

TRUST ACCOUNT

– If my money goes into a trust account, what information will I receive about that account?

If you want your money to go into a trust fund, the trust agreement must furnish you with information about the amount to be deposited into the account; the name of the trustee; information about what happens to the interest your trust account will earn; and information about your responsibility to file and pay taxes on that interest.

If there are filing expenses connected with your trust account, you will be notified as to what the expenses are and whether you or the preneed arranger is the responsible party for paying those.

– What happens to the interest earned by the trust?

You should be aware that the interest earned by the trust may be handled in different ways by different trust arrangements. The interest may have to go back into your account if items on your contract are guaranteed. You may be responsible for reporting that interest to the Internal Revenue Service and paying taxes on it. You will be responsible to pay any taxes on the interest earned even if you cancel your trust account. Some trust accounts cannot be cancelled.

There may be special fees deducted from your interest. However, you may still be responsible for paying taxes on the entire amount of interest earned before the fees were deducted. Please ask your preneed arranger for a written list of any fees so you will have a clear understanding about them before you sign the contract.

– If I pay my trust in premium payments, what happens if I die before the Grand Total of the funeral has been placed in trust?
(Place answer here)

LIFE INSURANCE POLICY OR ANNUITY CONTRACT

The following question applicable to your policy will be answered in writing. The answer will depend upon the terms and conditions of the individual's policy and/or preneed contract.

– If I die during the period of time when my insurance

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policy only guarantees to pay back my premiums plus the interest, will that amount be considered payment in full for my preneed contract?

(Place answer here)

CLAIMS AGAINST THIS CONTRACT

– Can someone to whom I owe money make a claim against the money, personal property, or real estate that I have used to pay for this contract?

No. This money or property cannot be used to settle a debt, a bankruptcy, or resolve a claim. These funds cannot be garnished.

– Can the money or property be taxed?

No. Currently, interest earned on the money you deposit in a trust, savings account, or the value of the property you used for payment can be taxed but not the original amount which you invested. Interest earned on annuities is generally deferred until withdrawal.

GENERAL GOODS AND SERVICES

– If I choose goods and services that might not be available at the time of my death, what is the provider required to do?

The funeral home which you selected is required to furnish supplies and services that are similar in style and equal in value and quality if what you choose is no longer made or is not available at the time of your death. Your representative or next-of-kin will have the right to choose the supplies or services to be substituted. However, if the substitute is more expensive than the item originally selected by you, your designee or next-of-kin would be responsible for paying the difference. Under no circumstances will the funeral establishment be allowed to substitute lesser goods and services than the ones you chose.

If, before your death, the funeral home were to go out of business or were otherwise unable to fulfill their obligation to you under the preneed contract, you have the right to use the proceeds at the funeral home of your choice.

If the inability to provide services does not become apparent until the time of your death, the individual that you named as your designee could use the funds for services at another funeral home.

– May I choose the exact item I want now and have the funeral home store it until my death?

If the funeral home or supplier has a storage policy you may ask for this service. If the funeral home or preneed arranger agrees to store these items, the risk of loss or damage shall be upon the funeral home during the storage period.

For example, what would happen if you select a casket which is in-stock at the time you make these arrangements and the funeral home or supplier agrees to store it for you in their warehouse and: (1) damage occurs, (2) the funeral home or supplier goes out of business (3) the funeral home or supplier is sold, etc? You need to be assured in writing of protection in these types of situations.

– What happens if I choose to have a unique service that is not customary or routine in my community? Must the funeral home comply with my wishes?

The funeral home which you have chosen to conduct your service may be able to only provide certain types of services. They may not be able to fulfill your request. If there is a restriction on what they can provide, you will be notified in writing before you sign the preneed contract.

If the funeral home agrees in writing before you sign the contract to perform such services, the funeral home shall provide you a written, itemized statement of penalties (fees) which you will be charged.

– Will the funeral home agree to transport my body to another area for burial?

Again, the funeral home may have restrictions on the distance they are willing to travel to conduct a burial. If restrictions apply, you will be notified in writing.

If the funeral home agrees in writing before you sign the contract to honor your wishes, the funeral home shall provide you a written, itemized statement of any penalties (fees) which you will be charged.

– I may die and be buried in a city other than one where the funeral home that I select for my goods and services is located. Will the funeral home that I select under this contract deliver my merchandise to the city where I die and am to be buried?

This is entirely up to the funeral home to decide. If the funeral home has restrictions on this, they will notify you in writing. If they agree to ship merchandise to another area for your funeral, you will be notified before signing this contract of the penalties (fees) involved if they can be determined and guaranteed at this time.

However, the preneed contract arrangements and funding may be considered portable. This means that they are usually available for transfer from one locality to another. It is unusual for actual goods and merchandise to be transferred.

PRICING

– How will I know that the prices of items which I select are the same for everyone?

The funeral home maintains a general price list and a casket and outer burial container price list. Your preneed arranger will give this to you before you begin talking about arrangements. After your discussion is finished, you will be given a copy of your preneed contract on which charges will be listed. Charges will only be made for the items you select. If there are any legal or other requirements that mandate that you must buy any items you did not specifically ask for, the preneed arranger will explain the reason for the charges to you in writing.

You may ask a funeral home to purchase certain items or make special arrangements for you. If the funeral home charges you for these services, you will receive an explanation in writing. The charges to you for these services may be higher than if you or your family purchased them directly.

At the time of your death, your family or estate will be given an itemized statement which will list all of the specific charges. This is a requirement of the Federal Trade Commission. Although not required to do so, some funeral homes may also choose to give you an itemized statement when you make these arrangements.

- What is meant by guaranteed and non-guaranteed prices?

Some preneed arrangers may agree that certain prices are guaranteed. Some may guarantee the price of the total package. Other funeral homes may not guarantee any prices.

Guaranteed prices are those that will not increase for your family or estate at the time of your death. Basically, this means that your funeral arrangement for those items will be covered by and will not exceed your funding and the interest it earns. Non-guaranteed prices are those which might increase or decrease. The non-guaranteed prices may be written in at the time of this contract with you understanding that the price is an estimate only and may increase or decrease. A settlement to that effect may have to be made with your family or representative after your death.

- Can the preneed arranger and I negotiate a projected charge for the non-guaranteed items based on the rate of inflation?

It is entirely up to the preneed arranger to inform you of the funeral home policy in that regard.

CASKETS AND CONTAINERS

- Do I have to buy a vault or a container to surround the casket in the grave?

In most areas of the country, state and local laws do not require that you buy a container to surround the casket in the grave. However, many cemeteries ask that you have such a container to support the earth above the

grave. Either a burial vault or a grave liner will satisfy if such requirements exist.

- Is a casket required?

A casket is not required for direct cremation. If you want to arrange a direct cremation, you may use an unfinished wood box or an alternative container made of heavy cardboard or composition materials. You may choose a canvas pouch.

- Do certain cemeteries and crematoriums have special requirements?

Particular cemeteries and crematoriums may have policies requiring that certain goods and services be purchased. If you decide not to purchase goods and services required by a particular cemetery or crematorium, you have the right to select another location that has no such policy.

EMBLAMING

- Is emblaming always required?

Except in certain special cases, embalming is not required by law. Embalming may be necessary, however, if you select certain funeral arrangements such as viewing or visitation with an open casket. You do not have to pay for embalming you did not approve if you selected arrangements such as a direct cremation or immediate burial. If the funeral home must charge to conduct an embalming, your designee will be notified of the reasons in writing.

ASSISTANCE

- This is all very confusing to me. May I pick someone close to me to help with all of this? May this person also work with the funeral home to ensure that my wishes as written in the preneed contract are carried out?

You may designate in writing a person of your choice to work with the funeral home and preneed arranger either before or after your death to ensure that your wishes are fulfilled. You must sign the statement and have it notarized. The person that you designate must agree to this in writing. Under the laws governing preneed contracts, the individual whom you designate has final authority at the time of your death.

- Where can I complain if I have a problem concerning my preneed contract, the preneed arranger, or the funeral home?

You may direct your complaints or concerns to:

The Board of Funeral Directors and Embalmers
Department of Health Professions
1601 Rolling Hills Drive, Suite 200
Richmond, Virginia 23229-5005

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Telephone Number (804) 662-9941
Toll Free Number 1-800-533-1560

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (BOARD OF)

REGISTRAR'S NOTICE: The following regulation is exempted from the Administrative Process Act under the provisions of § 9-6.14:4.1 B 4 of the Code of Virginia, which excludes agency action relating to grants of state or federal funds or property.

Title of Regulation: VR 394-01-107. Procedures for Allocation of Low-Income Housing Tax Credits.

Statutory Authority: § 42 of the Internal Revenue Code; §§ 36-143, 36-146 and 36-147 of the Code of Virginia; and Governor's Executive Order No. Forty (91).

Public Hearing Date: March 11, 1992 - 9 a.m.
(See Calendar of Events section
for additional information)

Summary:

Pursuant to § 42 of the Internal Revenue Code, §§ 36-139 and 36-55.63 of the Code of Virginia, and Governor's Executive Order Forty (91), the Department of Housing and Community Development proposes the Procedures for Allocation of Low-Income Housing Tax Credits. These procedures shall be effective as of May 4, 1992, and are published to establish the administrative frame work for the allocation of Low Income Housing Tax Credits by the Department of Housing and Community Development. They supersede the regulations published by the Virginia Housing Development Authority in 8:7 V.A.R. 1123 December 30, 1991.

VR 394-01-107. Procedures for Allocation of Low-Income Housing Tax Credits.

§ 1. Definitions.

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

"Applicant" means an applicant for federal credits or state credits, or both, under these procedures and, upon and subsequent to an allocation of such credits, also means the owner of the development to whom the federal credits or state credits, or both, are allocated.

"Estimated highest per bedroom credit amount for new construction units" means, in subdivision 6 of § 6, the highest amount of federal credits and 50% of state credits estimated by the director to be allocated per bedroom (within the low-income housing units) to any development in the Commonwealth (or, if the director shall so

determine, in each pool or subpool) composed solely of new construction units.

"Estimated highest per bedroom credit amount for rehabilitation units" means, in subdivision 6 of § 6, the highest amount of federal credits and 50% of state credits estimated by the director to be allocated per bedroom (within the low-income housing units) to any development in the Commonwealth (or, if the director shall so determine, in each pool or subpool) composed solely of rehabilitation units.

"Estimated highest per unit credit amount for new construction units" means, in subdivision 5 of § 6, the highest amount of federal credits and 50% of state credits estimated by the director to be allocated per low-income unit to any development in the Commonwealth (or if the director shall so determine, in each pool or subpool) composed solely of new construction units.

"Estimated highest per unit credit amount for rehabilitation units" means, in subdivision 5 of § 6, the highest amount of federal credits and 50% of state credits estimated by the director to be allocated per low-income unit to any development in the Commonwealth (or, if the director shall so determine, in each pool or subpool) composed solely of rehabilitation units.

"Federal credits" means the low-income housing tax credits as described in § 42 of the IRC.

"IRC" means the Internal Revenue Code of 1986, as amended, and the rules, regulations, notices and other official pronouncements promulgated thereunder.

"Low-income housing units" means those units which are defined as "low income units" under § 42 of the IRC.

"Qualified low-income buildings" or "qualified low-income development" means the buildings or development which meets the applicable requirements in § 42 of the IRC to qualify for an allocation of federal credits thereunder.

"Single-room occupancy units (SRO)" means permanent facilities for the homeless, consisting of a single room housing unit with either private or shared bath facilities with the optional provision of kitchen facilities.

"State code" means Chapter 1.4 of Title 36 of the Code of Virginia.

"State credits" means the low-income housing tax credits as described in the state code.

"Transitional housing" means facilities for the homeless in which the housing units contain sleeping accommodations and kitchen and bathroom facilities and are located in a building which is used exclusively to facilitate the transition of homeless individuals (within the meaning of § 103 of the Stewart B. McKinney Homeless

Assistance Act (42 U.S.C. 11302) to independent living within 24 months, and in which a governmental entity or qualified nonprofit organization provides such individuals with temporary housing and supportive services designed to assist such individuals in locating and retaining permanent housing.

"Virginia taxpayer" means any individual, estate, trust or corporation which, in the determination of the department, is subject to the payment of Virginia income taxes and will be able to claim in full against such taxes the amount of state credits reserved or allocated to such individual, estate, trust or corporation under these procedures.

§ 2. Purpose and applicability.

The following procedures will govern the allocation by the department of federal credits pursuant to § 42 of the IRC and state credits pursuant to the state code.

Notwithstanding anything to the contrary herein, acting at the request or with the consent of the applicant for federal credits or state credits or both, the director is authorized to waive or modify any provision herein where deemed appropriate by him for good cause, to the extent not inconsistent with the IRC and the state code.

The procedures set forth herein are intended to provide a general description of the department's processing requirements and are not intended to include all actions involved or required in the processing and administration of the federal credits and state credits. These procedures are subject to change at any time by the department and may be supplemented by policies and procedures adopted by the department from time to time.

Any determination made by the department pursuant to these procedures as to the financial feasibility of any development or its viability as a qualified low-income development shall not be construed to be a representation or warranty by the department as to such feasibility or viability.

Notwithstanding anything to the contrary herein, all procedures and requirements in the IRC and the state code must be complied with and satisfied.

§ 3. General description.

The IRC provides for federal credits to the owners of residential rental projects comprised of qualified low-income buildings in which low-income housing units are provided, all as described therein. The aggregate amount of such credits (other than federal credits for developments financed with certain tax-exempt bonds as provided in the IRC) allocated in any calendar year within the Commonwealth may not exceed the Commonwealth's annual state housing credit ceiling for such year under the IRC. An amount equal to 10% of such ceiling is set-aside for developments in which certain qualified

nonprofit organizations hold an ownership interest and materially participate in the development and operation thereof. Federal credit allocation amounts are counted against the Commonwealth's annual state housing credit ceiling for federal credits for the calendar year in which the federal credits are allocated. The IRC provides for the allocation of the Commonwealth's state housing credit ceiling for federal credits to the housing credit agency of the Commonwealth. The department has been designated by executive order of the Governor as the housing credit agency under the IRC and, in such capacity, shall allocate for each calendar year federal credits to qualified low-income buildings or developments in accordance herewith.

Federal credits may be allocated to each qualified low-income building in a development separately or to the development as a whole in accordance with the IRC.

Federal credits may be allocated to such buildings or development either (i) during the calendar year in which such building or development is placed in service or (ii) if the building or development meets the requirements of § 42(h)(1)(E) of the IRC, during one of the two years preceding the calendar year in which such building or development is expected to be placed in service. Prior to such allocation, the department shall receive and review applications for reservations of federal credits as described hereinbelow and shall make such reservations of federal credits to eligible applications in accordance herewith and subject to satisfaction of certain terms and conditions as described herein. Upon compliance with such terms and conditions and, as applicable, either (i) the placement in service of the qualified low-income buildings or development or (ii) the satisfaction of the requirements of § 42(h)(1)(E) of the IRC with respect to such buildings or the development, the federal credits shall be allocated to such buildings or the development as a whole in the calendar year for which such federal credits were reserved by the department.

Except as otherwise provided herein or as may otherwise be required by the IRC, these procedures shall not apply to federal credits with respect to any development or building to be financed by certain tax-exempt bonds in an amount so as not to require under the IRC an allocation of federal credits hereunder.

The department is authorized by the state code to establish the amount, if any, of state credits to be allocated to any buildings or development qualified for and claiming federal credits. The amount of state credits is calculated as a percentage of federal credits. Such percentage is established by the department as provided herein. The state code provides for a maximum allocation of \$3,500,000 state credits in any calendar year. The state credits will be available for buildings or developments for which federal credits shall be allocated in 1990 and subsequent years or, in the case of any development or building to be financed by certain tax-exempt bonds in an amount so as not to require under the IRC an allocation

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of federal tax credits hereunder, for which such bonds shall be issued in 1990 and subsequent years. In the event that legislation is adopted by the General Assembly to defer the date set forth in §§ 36-55.63 A, 58.1-336 A or 58.1-435 A of the state code, then the year 1990 in the preceding sentence shall likewise be deferred and the provisions of these procedures relating to state credits shall not become effective until the date set forth in such legislation.

The department shall charge to each applicant fees in such amount as the director shall determine to be necessary to cover the administrative costs to the department, but not to exceed the maximum amount permitted under the IRC. Such fees shall be payable at such time or times as the director shall require.

§ 4. Adoption of allocation plan; solicitations of applications.

The IRC requires that the department adopt a qualified allocation plan which shall set forth the selection criteria to be used to determine housing priorities of the department which are appropriate to local conditions and which shall give certain priority to and preference among developments in accordance with the IRC. The director from time to time may cause housing needs studies to be performed in order to develop the qualified allocation plan and, based upon any such housing needs study and any other available information and data, may direct and supervise the preparation of and approve the qualified allocation plan and any revisions and amendments thereof in accordance with the IRC. The IRC requires that the qualified allocation plan be subject to public approval in accordance with rules similar to those in § 147(f)(2) of the IRC. The director may include all or any portion of these procedures in the qualified allocation plan.

The director may from time to time take such action as he may deem necessary or proper in order to solicit applications for federal credits and state credits. Such actions may include advertising in newspapers and other media, mailing of information to prospective applicants and other members of the public, and any other methods of public announcement which the director may select as appropriate under the circumstances. The director may impose requirements, limitations and conditions with respect to the submission of applications and the selection thereof as he shall consider necessary or appropriate.

§ 5. Application.

Application for a reservation of federal credits or state credits or both shall be commenced by filing with the department an application, on such form or forms as the director may from time to time prescribe or approve, together with such documents and additional information as may be requested by the department in order to comply with the IRC, the state code and these procedures and to make the reservation and allocation of the federal credits and state credits in accordance with these

procedures. The application shall include a breakdown of sources and uses of funds sufficiently detailed to enable the department to ascertain where and what costs will be incurred and what will comprise the total financing package, including the various subsidies and the anticipated syndication or placement proceeds that will be raised. The following cost information must be included in the application: site acquisition costs, site preparation costs, construction costs, construction contingency, general contractor's overhead and profit, architect and engineer's fees, permit and survey fees, insurance premiums, real estate taxes during construction, title and recording fees, construction period interest, financing fees, organizational costs, rent-up and marketing costs, accounting and auditing costs, working capital and operating deficit reserves, syndication and legal fees, development fees, and other costs and fees.

Each application shall include evidence of (i) sole fee simple ownership of the site of the proposed development by the applicant, (ii) lease of such site by the applicant for a term exceeding the compliance period (as defined in the IRC) or for such longer period as the applicant represents in the application that the development will be held for occupancy by low-income persons or families or (iii) right to acquire or lease such site pursuant to a valid and binding written option or contract between the applicant and the fee simple owner of such site, provided that such option or contract shall have no conditions within the discretion or control of such owner of such site. No application shall be considered for a reservation or allocation of federal credits or state credits unless such evidence is submitted with the application and the department determines that the applicant owns, leases or has the right to acquire or lease the site of the proposed development as described in the preceding sentence.

The application shall include pro forma financial statements setting forth the anticipated cash flows during the credit period as defined in the IRC. The application shall include a certification by the applicant as to the full extent of all federal, state and local subsidies which apply (or which the applicant expects to apply) with respect to each building or development. The director may also require the submission of a legal opinion or other assurances satisfactory to the director as to, among other things, compliance of the proposed development with the IRC and a certification, together with an opinion of an independent certified public accountant or other assurances satisfactory to the director, setting forth the calculation of the amount of federal credits requested by the application and certifying, among other things, that under the existing facts and circumstances the applicant will be eligible for the amount of federal credits requested.

The director may establish criteria and assumptions to be used by the applicant in the calculation of amounts in the application, and any such criteria and assumptions shall be indicated on the application form or instructions.

The director may prescribe such deadlines for

submission of applications for reservation and allocation of federal credits and state credits for any calendar year as he shall deem necessary or desirable to allow sufficient processing time for the department to make such reservations and allocations.

After receipt of the applications, the department shall notify the chief executive officers (or the equivalent) of the local jurisdictions in which the developments are to be located and shall provide such individuals a reasonable opportunity to comment on the developments.

The development for which an application is submitted may be, but shall not be required to be, financed by the department. If any such development is to be financed by the department, the application for such financing shall be submitted to and received by the department in accordance with its applicable procedures.

The department may consider and approve, in accordance herewith, both the reservation and the allocation of federal credits and state credits to buildings or developments which the department may own or may intend to acquire, construct or rehabilitate.

§ 6. Review and selection of applications; reservation of federal credits.

The director may divide the amount of federal credits into separate pools and may further subdivide those pools into subpools. The division of such pools and subpools may be based upon one or more of the following factors: geographical areas of the Commonwealth; types or characteristics of housing, construction, financing, owners, or occupants; or any other factors deemed appropriate by him to best meet the housing needs of the Commonwealth.

An amount, as determined by the director, not less than 10% of the Commonwealth's annual state housing credit ceiling for federal credits, shall be available for reservation and allocation to buildings or developments with respect to which the following requirements are met:

1. With respect to all reservations and allocations of federal credits, a "qualified nonprofit organization" (as described in § 42(h)(5)(C) of the IRC) is to materially participate (within the meaning of § 469(h) of the IRC) in the development and operation of the development throughout the "compliance period" (as defined in § 42(i)(1) of the IRC); and
2. With respect to only those reservations of federal credits made by the director on or after December 18, 1990, and with respect to only those allocations made pursuant to such reservations, (i) the "qualified nonprofit organization" described in the preceding subdivision 1 is to own an interest in the development (directly or through a partnership) as required by the IRC; (ii) such qualified nonprofit organization is to, prior to the allocation of federal

credits to the buildings or development, own a general partnership interest in the development which shall constitute not less than 51% of all of the general partnership interests of the ownership entity thereof (such that the qualified nonprofit organizations have at least a 51% interest in both the income and profit allocated to all of the general partners and in all items of cashflow distributed to the general partners) and which will result in such qualified nonprofit organization receiving not less than 51% of all fees, except builder's overhead and builder's profit, paid or to be paid to all of the general partners (and any other entities determined by the department to be related to or affiliated with one or more of such general partners) in connection with the development; (iii) the director of the department shall have determined that such qualified nonprofit organization is not affiliated with or controlled by a for-profit organization; and (iv) the director of the department shall have determined that the qualified nonprofit organization was not or will not be formed by one or more individuals or for-profit entities for the principal purpose of being included in any nonprofit pools or subpools (as defined below) established by the director. In making the determination required by this subdivision 2(iv), the director may apply such factors as he deems relevant, including, without limitation, the past experience and anticipated future activities of the qualified nonprofit organization, the sources and manner of funding of the qualified nonprofit organization, the date of formation and expected life of the qualified nonprofit organization, the number of staff members and volunteers of the qualified nonprofit organization, the nature and extent of the qualified nonprofit organization's proposed involvement in the construction or rehabilitation and the operation of the proposed development, and the relationship of the staff, directors or other principals involved in the formation or operation of the qualified nonprofit organization with any persons or entities to be involved in the proposed development on a for-profit basis. The director may include in the application of the foregoing factors any other nonprofit organizations which, in his determination, are related (by shared directors, staff or otherwise) to the qualified nonprofit organization for which such determination is to be made.

For purposes of the foregoing requirements, a qualified nonprofit organization shall be treated as satisfying such requirements if any qualified corporation (as defined in § 42(h)(5)(D)(ii) of the IRC) in which such organization holds stock satisfies such requirements.

The applications shall include such representations and warranties and such information as the director may require in order to determine that the foregoing requirements have been satisfied. In no event shall more than 90% of the Commonwealth's annual state housing credit ceiling for federal credits be available for developments other than those satisfying the preceding

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requirements. The director may establish such pools or subpools ("nonprofit pools or subpools") of federal credits as he may deem appropriate to satisfy the foregoing requirement. If any such nonprofit pools or subpools are so established, the director may rank the applications therein and reserve federal credits (and, if applicable, state credits) to such applications before ranking applications and reserving federal credits (and, if applicable, state credits) in other pools and subpools, and any such applications in such nonprofit pools or subpools not receiving any reservations of federal credits (and, if applicable, state credits) or receiving such reservations in amounts less than the full amount permissible hereunder (because there are not enough federal credits then available in such nonprofit pools or subpools to make such reservations) shall be assigned to such other pool or subpool as shall be appropriate hereunder; provided, however, that if federal credits are later made available (pursuant to the IRC or as a result of either a termination or reduction of a reservation of federal credits made from any nonprofit pools or subpools or a rescission in whole or in part of an allocation of federal credits made from such nonprofit pools or subpools or otherwise) for reservation and allocation by the department during the same calendar year as that in which applications in the nonprofit pools or subpools have been so assigned to other pools or subpools as described above, the director may, in such situations, designate all or any portion of such additional federal credits for the nonprofit pools or subpools (or for any other pools or subpools as he shall determine) and may, if additional federal credits have been so designated for the nonprofit pools or subpools, reassign such applications to such nonprofit pools or subpools, rank the applications therein and reserve federal credits to such applications in accordance with the IRC and these procedures. In the event that during any round (as authorized hereinbelow) of application review and ranking the amount of federal credits reserved within such nonprofit pools or subpools is less than the total amount of federal credits made available therein, the director may either (i) leave such unreserved federal credits in such nonprofit pools or subpools for reservation and allocation in any subsequent round or rounds or (ii) redistribute, to the extent permissible under the IRC, such unreserved federal credits to such other pools or subpools as the director shall designate and in which there are or remain applications for federal credits which have not then received reservations therefor in the full amount permissible hereunder (which applications shall hereinafter be referred to as "excess applications") or (iii) carry over such unreserved federal credits to the next succeeding calendar year for inclusion in the state housing credit ceiling (as defined in § 42(h)(3)(C) of the IRC) for such year. Any redistribution made pursuant to clause (ii) above shall be made pro rata based on the amount originally distributed to each such pool or subpool with excess applications divided by the total amount originally distributed to all such pools or subpools with excess applications. Notwithstanding anything to the contrary herein, no allocation of credits shall be made from any nonprofit pools or subpools to any application with

respect to which the qualified nonprofit organization has not yet been legally formed in accordance with the requirements of the IRC. In addition, no application for credits from any nonprofit pools or subpools may receive a reservation or allocation of credits from any nonprofit pools or subpools, or any combination of those pools with other pools, in an amount greater than \$500,000. For the purposes of implementing this limitation, the director may determine that more than one application for more than one development which he deems to be a single development shall be considered as a single application.

The director may elect to allocate no more than \$1,000,000 in annual tax credits to any new construction project until all other eligible projects within the applicable pool have received an allocation of credits.

The department shall review each application, and, based on the application and other information available to the department, shall assign points to each application as follows:

1. The extent to which the project addresses Public Purpose. This category carries a maximum of 350 points. Of those:

A maximum of 50 points may be earned based upon the Type of Project, with 50 points for new construction, 50 points for substantial rehabilitation (greater than \$15,000/unit), 50 points for acquisition of a HUD expiring use project, and 15 points for moderate rehabilitation (greater than \$3,000/unit);

A maximum of 30 points may be earned for Documented Local Need;

A maximum of 30 points may be earned for Local Support, with 15 points for a letter of support from the local government's chief executive officer that states without qualification or limitation, the following:

"The construction or rehabilitation of (name of development) and the allocation of federal housing tax credits available under IRC § 42 for that development will help meet the housing needs and priorities of (name of locality). Accordingly, (name of locality) supports the allocation of federal housing tax credits requested by (name of applicant) for that development."

and up to 15 points for other evidence of support;

A maximum of 30 points may be earned for Project Quality, with up to 10 points for building materials, 10 points for amenities and unit size, and up to 10 points for energy efficiency;

A maximum of 20 points may be earned for Special Needs Preference. Using a weighted average of the number of units, up to 10 points may be earned for

elderly housing, where "elderly" means 62 years of age or older, up to 10 points for housing for handicapped persons, and up to 10 points for housing for large families (3 bedrooms or more).

Five points may be earned for giving Leasing Preference to persons from either local housing authority waiting lists or § 8 waiting lists.

A maximum of 25 points may be earned for involvement by a qualified Nonprofit Organization, with 25 points available for projects in which that qualified Nonprofit Organization has a 51% or greater interest, and up to 10 points available for projects in which that qualified Nonprofit Organization has less than a 51% interest.

A maximum of 150 points may be earned for projects with rents below the maximums allowed, or which have low-income restrictions, allocating points as follows:

150 Maximum points for households at 40% of median income

125 Maximum points for households at 50% of median income

100 Maximum points for households at 60% of median income

A maximum of 10 points may be earned for Special Characteristics that add to the overall project quality or public purpose, such as, but not limited to, rehabilitation of an historic structure, coordination with neighborhood revitalization efforts, or special tenant services.

2. The extent to which the project demonstrates Readiness to move forward quickly. This category carries a maximum of 150 points. Of those:

Five points may be earned for having all required public utilities in place;

A maximum of 25 points may be earned for having appropriate zoning, with 25 for documented appropriate zoning or written evidence satisfactory to the department that no zoning requirements are applicable, 15 for undocumented appropriate zoning if no change in use is proposed, and 5 for evidence that application for appropriate zoning is in process;

Ten points may be earned for having an approved plan of development or written evidence that such a plan is not required;

A maximum of 20 points may be earned for the degree to which the project's plans and specifications (where the project is a new construction project or a rehabilitation project involving major reconfiguration),

or work write-ups and specifications (where the project is a rehabilitation project not involving major reconfiguration) are complete. This will be calculated by multiplying 20 points by the percentage of completion, as determined typically by a letter from the project's architect or other appropriate third-party professional.

A maximum of 60 points may be earned for having financing in place (including documented equity sources), with a maximum of 10 for construction financing (10 for a firm financing commitment, 6 for a conditional commitment, 2 for a letter of intent), and a maximum of 50 points divided proportionally between permanent financing and equity sources (50 for a firm financing or equity commitment, 30 for a conditional financial or equity commitment, and 10 for a letter of intent). For the purposes of this section, a firm financing commitment means a written commitment issued by a financial institution or a governmental authority to provide permanent financing for a term of 15 years or more for the proposed development without any conditions within the sole discretion or control of the lender. The director may treat a reservation of funds from the Virginia Housing Partnership Fund as a firm financing commitment. A conditional financing commitment means a written commitment issued by a financial institution or a governmental authority to provide permanent financing for a term of 15 years or more for the proposed development that includes conditions within the sole discretion or control of the lender. A letter of intent means a letter indicating that the lending institution has received and reviewed the project's application for financing, and that the institution has agreed to proceed further with processing. A firm equity commitment means a written commitment issued by a financially sound third party syndicator or third party investor without any conditions within the sole discretion or control of such syndicator or investor. A conditional equity commitment means a written commitment issued by a financially sound third party syndicator or third party investor that includes conditions within the sole discretion or control of such syndicator or investor. A letter of intent means a letter indicating that the third party syndicator or third party investor has received and reviewed the project's application for financing, and that the third party syndicator or third party investor has agreed to proceed further with processing. Such third party syndicator or investor shall neither be directly or indirectly related to nor controlled by the applicant. Notwithstanding the foregoing, in the case of a development comprised of 15 or fewer units only, all or a portion of the aforementioned aggregate amount of funds to be provided for the proposed development may be made available by the applicant or another party if the department receives satisfactory evidence of the availability of those funds;

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Five points may be earned for having a Building Permit for the project;

Twenty-five points may be earned for a complete and reasonable time line for putting the project into service.

3. The extent to which the application demonstrates project Financial Workability. This category carries a maximum of 225 points. Of those:

A maximum of 100 points may be earned based on the Completeness (up to 15 points) and Reasonableness (up to 85 points) of the Project Budget, with Reasonableness points being awarded based upon consideration of the cost per unit, debt per unit, estimated cap rate, projected tax credit proceeds, developer's fee, builder overhead and profit, and reserves provided for.

A maximum of 125 points may be earned based on the Completeness (up to 20 points) and Reasonableness (up to 105 points) of the Operating Budget, with Reasonableness points being awarded based upon consideration of factors including but not limited to the rent as a percentage of HUD Fair Market Rents, utility allowance, management fee, maintenance expense per unit, replacement reserve per unit, total operating expenses per unit, and the debt coverage ratio.

4. The extent to which the application demonstrates the Administrative Capacity of the applicants. This category carries a maximum of 100 points. Of those: A maximum of 50 points may be earned for Project Sponsor/Development Team's demonstrated experience, qualifications, and ability to perform their respective functions;

A maximum of 15 points may be earned for Development Team/General Partner Financial strength;

A maximum of 15 points may be earned for Contractor Experience and Financial Strength;

A maximum of 20 points may be earned for Property Management Experience and the Property Management Plan;

A maximum of 25 points may be deducted for failure to address Displacement;

A maximum of 15 points may be deducted for failure to complete the Application, with five points deducted if the correct number of copies is not submitted, and 10 points deducted if all required documentation is not submitted.

5. A maximum of 50 points will be available for scoring the per unit credit amount. For new construction and substantial rehabilitation projects,

the number of points awarded shall be determined by multiplying 50 points by the percentage by which the total of the amount of federal credits and 50% of the amount of state credits per low-income housing unit (the "per unit credit amount") of the proposed development is less than the estimated highest per unit credit amount for new construction and substantial rehabilitation projects. For moderate rehabilitation projects, the number of points awarded shall be determined by multiplying 50 points by the percentage by which the total of the amount of federal credits and 50% of the amount of state credits per low-income housing unit (the "per unit credit amount") of the proposed development is less than the estimated highest per unit credit amount for moderate rehabilitation projects. In the case of projects which combine new construction or substantial rehabilitation with moderate rehabilitation, this calculation will use a weighted average based on the number of each unit type in the proposed development.

6. A maximum of 25 points will be available for scoring the per bedroom credit amount. For new construction and substantial rehabilitation projects, the number of points awarded shall be determined by multiplying 25 points by the percentage by which the total of the amount of federal credits and 50% of the amount of state credits per bedroom (the "per bedroom credit amount") of the proposed development is less than the estimated highest per bedroom credit amount for new construction and substantial rehabilitation projects. For moderate rehabilitation projects, the number of points awarded shall be determined by multiplying 25 points by the percentage by which the total of the amount of federal credits and 50% of the amount of state credits per bedroom (the "per bedroom credit amount") of the proposed development is less than the estimated highest per bedroom credit amount for moderate rehabilitation projects. In the case of projects which combine new construction or substantial rehabilitation with moderate rehabilitation, this calculation will use a weighted average based on the number of each unit type in the proposed development.

For the purpose of calculating the points to be assigned pursuant to such items 5 and 6 above, all credit amounts shall be those requested in the applicable application, and the per unit credit amount and per bedroom credit amount for any building located in a qualified census tract or difficult development area (such tract or area being as defined in the IRC) shall be determined based upon 100% of the eligible basis of such building, in the case of new construction, or 100% of the rehabilitation expenditures, in the case of rehabilitation of an existing building, notwithstanding the use by the applicant of 130% of such eligible basis or rehabilitation expenditures in determining the amount of federal credits as provided in the IRC.

7. *Extent to which the application addresses Extended Compliance, Reasonable Intermediary Costs, a Plan to Meet the 10% Carryover Requirement, and Special Needs Preferences.* This category carries a maximum of 100 points. Of those:

A maximum of 15 points may be earned for a commitment by the applicant to maintain the development as a qualified low-income housing development beyond the 15-year compliance period as defined in the IRC; such commitment beyond the end of the 15-year compliance period and prior to the end of the 30-year extended use period (as defined in the IRC) being deemed to represent a waiver of the applicant's right under the IRC to cause a termination of the extended use period in the event the department is unable to present during the period specified in the IRC a qualified contract (as defined in the IRC) for the acquisition of the building by any person who will continue to operate the low-income portion thereof as a qualified low-income building, one point being awarded for each year of compliance beyond 15 years;

A maximum of 40 points may be earned for limiting Intermediary Costs, with the maximum number being awarded for the lowest Efficiency Measure score resulting from the application of the following formulas:

Step 1. Net Equity =

$(\text{Project Equity}) - (\text{Bridge Loan Interest} + \text{Syndication fees and Expenses})$

Step 2. Efficiency Measure =

$(\text{Construction Cost}) / (\text{Net Equity} - \text{Front-end Developer's Fee})$

where "Front-end Developer's Fee" means any fee withdrawn from the project prior to the first three years following placement in service, less the amount of any loans made by the developer to the project that are not to be repaid within that three-year period.

A maximum of 15 points may be earned for the applicant's Plan to meet the 10% carryover requirement imposed by § 42(h) (1) (E) of the IRC.

Using a weighted average of the total number of units, up to 30 points may be earned for providing either permanent housing (30 points), including single room occupancy facilities, or temporary housing (30 points), including transitional housing, for homeless persons.

In the event of a tie in the number of points assigned to two or more applications within the same pool or subpool, or, if none, within the Commonwealth, and if the

amount of federal credits available for reservation to such applications is determined by the director to be insufficient for the financial feasibility of both or, as applicable, all of the developments described therein, the department shall, in order to fully utilize the amount of credits available for reservation within such pool or subpool or, if none, within the Commonwealth select one or more of the applications, by lot, to receive a reservation of federal credits in the lesser of the full amount determined by the director to be permissible hereunder or the amount of federal credits then available in such pool or subpool.

The director may exclude and disregard any application which he determines is not submitted in good faith or which he determines would not be financially feasible.

Upon assignment of points to all of the applications, the director shall rank the applications based on the number of points so assigned. If any pools or subpools shall have been established, each application shall be assigned to a pool or subpool and shall be ranked within such pool or subpool. Those applications assigned more points shall be ranked higher than those applications assigned fewer points.

For each application which may receive a reservation of federal credits, the director shall determine the amount, as of the date of the deadline for submission of applications for reservation of federal credits, to be necessary for the financial feasibility of the development and its viability as a qualified low-income development throughout the credit period under the IRC. In making this determination, the director shall consider the sources and uses of the funds, the available federal, state and local subsidies committed to the development, the total financing planned for the development as well as the investment proceeds or receipts expected by the department to be generated with respect to the development, and the percentage of the federal credit dollar amount used for development costs other than the costs of intermediaries. He shall also examine the development's costs, including developer's fees and other amounts in the application, for reasonableness and, if he determines that such costs or other amounts are unreasonably high, he shall reduce them to amounts that he determines, in his sole discretion, to be reasonable. (If the applicant requests any state credits, the amount of state credits to be reserved to the applicant shall be determined pursuant to § 7 prior to the foregoing determination, and any funds to be derived from such state credits shall be included in the above described sources and uses of funds.) The director shall review the applicant's projected rental income, operating expenses and debt service for the credit period. The director may establish such criteria and assumptions as he shall deem reasonable for the purpose of making such determination, including, without limitation, criteria as to the reasonableness of fees and profits and assumptions as to the amount of net syndication proceeds to be received (based upon such percentage of the federal credit dollar amount used for development costs, other than the costs

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of intermediaries, as the director shall determine to be reasonable for the proposed development), increases in the market value of the development, and increases in operating expenses, rental income and, in the case of applications without firm financing commitments (as defined hereinabove) at fixed interest rates, debt service on the proposed mortgage loan.

At such time or times during each calendar year as the director shall designate, the director shall reserve federal credits to applications in descending order of ranking within each pool or subpool, if applicable, until either substantially all federal credits therein are reserved or all applications therein have received reservations. (For the purpose of the preceding sentence, if there is not more than a de minimis amount, as determined by the director, of federal credits remaining in a pool or subpool after reservations have been made, "substantially all" of the federal credits in such pool shall be deemed to have been reserved.) The director may rank the applications within pools or subpools at different times for different pools or subpools and may reserve federal credits, based on such rankings, one or more times with respect to each pool or subpool. The director may also establish more than one round of review and ranking of applications and reservation of federal credits based on such rankings, and he shall designate the amount of federal credits to be made available for reservation within each pool or subpool during each such round. The amount reserved to each such application shall be equal to the lesser of (i) the amount requested in the application or (ii) an amount determined by the director, as of the date of application, to be necessary for the financial feasibility of the development and its viability as a qualified low-income development throughout the credit period under the IRC; provided, however, that in no event shall the amount of federal credits so reserved exceed the maximum amount permissible under the IRC.

If the amount of federal credits available in any pool is determined by the director to be insufficient for the financial feasibility of the proposed development to which such available federal credits are to be reserved, the director may (i) permit the applicant to modify such proposed development and his application so as to achieve financial feasibility based upon the amount of such available federal credits or (ii), for projects which meet the requirements of § 42(h)(1)(E) of the IRC only, reserve additional federal credits from the Commonwealth's annual state housing credit ceiling for the following year in such an amount necessary for the financial feasibility of the proposed development. Any modifications shall be subject to the approval of the director; provided, however, that in no event shall such modifications result in a material reduction in the number of points assigned to the application pursuant to § 6 hereof. The reservation of federal credits from the Commonwealth's annual state housing credit ceiling for the following year shall be made only to proposed developments that rank high enough to receive some federal credits from the state housing credit ceiling for the

current year. However, any such reservation shall be in the sole discretion of the director if he determines it to be in the best interest of the Plan. In the event a reservation or an allocation of federal credits from the current year or a prior year is reduced, terminated or cancelled, the director may substitute such federal credits for any federal credits reserved from the following year's annual state housing credit ceiling.

In the event that during any round of application review and ranking the amount of federal credits reserved within any pools or subpools is less than the total amount of federal credits made available therein during such round, the director may either (i) leave such unreserved federal credits in such pools or subpools for reservation and allocation in any subsequent round or rounds or (ii) redistribute such unreserved federal credits to such other pools or subpools as the director may designate and in which there remain excess applications or (iii) carry over such unreserved federal credits to the next succeeding calendar year for inclusion in the state housing credit ceiling (as defined in § 42(h)(3)(C) of the IRC) for such year. Any redistribution made pursuant to subparagraph (ii) above shall be made pro rata based on the amount originally distributed to each of such pools or subpools so designated by the director with excess applications divided by the total amount originally distributed to all such designated pools or subpools with excess applications. Such redistributions may continue to be made until either all of the federal credits are reserved or all applications have received reservations.

Within a reasonable time after federal credits are reserved to any applicants' applications, the director shall notify each applicant for such reservations of federal credits either of the amount of federal credits reserved to such applicant's application (by issuing to such applicant a written binding commitment to allocate such reserved federal credits subject to such terms and conditions as may be imposed by the director therein, by the IRC and by these procedures) or, as applicable, that the applicant's application has been rejected or excluded or has otherwise not been reserved federal credits in accordance herewith.

The director may require the applicant to make a good faith deposit or to execute such contractual agreements providing for monetary or other remedies as it may require, or both, to assure that the applicant will comply with all requirements under the IRC (and, in the case of state credits, the state code), these procedures and the binding commitment (including, without limitation, any requirement to conform to all of the representations, commitments and information contained in the application for which points were assigned pursuant to § 6 hereof). Upon satisfaction of all such aforementioned requirements (including any post-allocation requirements), such deposit (or a pro rata portion thereof based upon the portion of federal credits and, if applicable, state credits so allocated) shall be refunded to the applicant or such contractual agreements shall terminate, or both, as applicable.

If, as of the date the application is approved by the director, the applicant is entitled to an allocation of the federal credits under the IRC, these procedures and the terms of any binding commitment that the department would have otherwise issued to such applicant, the director may at that time allocate the federal credits (and, if applicable, state credits) to such qualified low income buildings or development without first providing a reservation of such federal credits (and, if applicable, state credits). This provision in no way limits the authority of the director to require a good faith deposit or contractual agreement, or both, as described in the preceding paragraph, nor to relieve the applicant from any other requirements hereunder for eligibility for an allocation of federal credits.

The director may require that applicants to whom federal credits (and, if applicable, state credits) have been reserved shall submit from time to time or at such specified times as he shall require, written confirmation and documentation as to the status of the proposed development and its compliance with the application, the binding commitment and any contractual agreements between the applicant and the department. If on the basis of such written confirmation and documentation as the director shall have received in response to such a request, or on the basis of such other available information, or both, the director determines any or all of the buildings in the development which were to become qualified low-income buildings will not do so within the time period required by the IRC (and, in the case of state credits, the state code) or will not otherwise qualify for such federal credits (and, if applicable, state credits) under the IRC, these procedures or the binding commitment, then the director may terminate the reservation of such federal credits (and, if applicable, state credits) and draw on any good faith deposit. If, in lieu of or in addition to the foregoing determination, the director determines that any contractual agreements between the applicant and the department have been breached by the applicant, whether before or after allocation of the federal credits, he may seek to enforce any and all remedies to which the department may then be entitled under such contractual agreements.

The director may establish such deadlines for determining the ability of the applicant to qualify for an allocation of federal credits (and, if applicable, state credits) as he shall deem necessary or desirable to allow the department sufficient time, in the event of a reduction or termination of the applicant's reservation, to reserve such federal credits (and, if applicable, state credits) to other eligible applications and to allocate such federal credits pursuant thereto.

Any material changes to the development, as proposed in the application, occurring subsequent to the submission of the application for the federal credits (and, if applicable, state credits) therefor shall be subject to the prior written approval of the director. As a condition to any such approval, the director may, as necessary to

comply with these procedures, the IRC, the binding commitment and any other contractual agreement between the department and the applicant, reduce the amount of federal credits (and, if applicable, state credits) applied for or reserved or impose additional terms and conditions with respect thereto. If such changes are made without the prior written approval of the director, he may terminate or reduce the reservation of such federal credits (and, if applicable, state credits), impose additional terms and conditions with respect thereto, seek to enforce any contractual remedies to which the department may then be entitled, draw on any good faith deposit, or any combination of the foregoing.

In the event that any reservation of federal credits is terminated or reduced by the director under this section, he may reserve, allocate or carry over, as applicable, such federal credits in such manner as he shall determine consistent with the requirements of the IRC and these procedures.

§ 7. Reservation of state credits.

Each applicant may also request a reservation of state credits in his application for a reservation of federal credits. State credits may be reserved only to those applications (i) to which federal credits have been reserved or (ii) which represent that the applicant will be the owner of any development or buildings to be financed by certain tax-exempt bonds in an amount so as not to require under the IRC an allocation of federal credits hereunder. In the case of (ii) above, the applicant for state credits shall submit an application for federal credits (as well as for state credits), and such application shall be submitted, reviewed, and ranked in accordance with these procedures; provided, however, that a reservation shall be made for the state credits only and not for any federal credits.

In order to be eligible for a reservation and allocation of state credits, the development must be owned by one of the following: (i) an individual who is a Virginia taxpayer, (ii) a corporation (other than an S corporation) which is a Virginia taxpayer, (iii) a partnership or an S corporation in which at least 75% of the state credits received by such partnership or S corporation will be allocated to partners or shareholders who are Virginia taxpayers, or (iv) any other legal entity which is a Virginia taxpayer or, in the case of an entity that is taxed on a pass-through basis with respect to tax credits, in which at least 75% of the state credits received by such entity will be allocated to Virginia taxpayers. If more than one of the foregoing shall be joint owners of the development, then the joint tenancy shall be treated as a partnership for purposes of applying the foregoing ownership test. In the case of tiered partnerships, S corporations, and other entities that are taxed on a pass-through basis with respect to tax credits, the ownership test will be applied by looking through such pass-through entities to the underlying owners. The application shall include such information as the director

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may require in order to determine the owner or owners of the development and the status of such owner or owners or those owning interests therein as Virginia taxpayers. The prior written approval of the department shall be required for any change in the ownership of the development prior to the end of the calendar year in which all of the buildings in such development shall be placed in service, unless the transferee certifies that it is a Virginia taxpayer or, in the case of a pass-through entity, that 100% of its owners of such entity are Virginia taxpayers.

State credits may be reserved by the director to an application only if the maximum amount of federal credits (determined by the use of the full applicable percentage as defined in the IRC, regardless of the amount requested by the applicant) which could be claimed for any development is determined by the director not to be sufficient for the financial feasibility of the development and its viability as a qualified low-income housing development throughout the credit period under the IRC. The amount of state credits which may be reserved shall be equal to the lesser of (i) the amount requested by the applicant or (ii) the amount which is necessary for such financial feasibility and viability as so determined by the director. Such determination shall be made by the director in the same manner and based upon the same factors and assumptions as the determination described in § 6 with respect to reservation of federal credits. In addition, the director may establish assumptions as to the amount of additional net syndication proceeds to be generated by reason of the state credits (based upon such percentage of the state credit dollar amount used for development costs, other than costs of intermediaries, as the director shall determine to be reasonable for the proposed development). The amount of state credits which may be so reserved shall be based upon a percentage of the federal credits as the director shall determine to produce such amount of state credits.

The director may divide the amount of state credits into pools and may further divide those pools into subpools based upon the factors set forth in § 6 with respect to the federal credits; however, the state credits need not be so divided in the same manner or proportions as the federal credits. Applications for state credits shall be assigned points and ranked at the same time or times and in the same manner as described in § 6. The director shall reserve state credits to applications in descending order of ranking within each pool or subpool, if applicable, until either all state credits therein are reserved or all applications therein eligible for state credits hereunder have received reservations for state credits. Any amounts in any pools or subpools not reserved to applications shall be reallocated at the time or times and in the same manner as the federal credits, among the pools or subpools in which applications eligible for state credits hereunder shall have not received reservations of state credits in the full amount permissible under these procedures. Such allocation shall be made pro rata based on the amount originally allocated to each

such pool or subpool with such excess applications divided by the total amount originally allocated to all such pools or subpools with such excess applications. Such reallocations shall continue to be made until either all of the state credits are reserved or all applications for state credits have received reservations.

Section 6 hereof contains certain provisions relating to requirements for good faith deposits and contractual agreements, allocation of state credits without any prior reservation thereof, deadlines for determining the ability of the applicant to qualify for state credits, and reduction and termination of state credits. Such provisions shall be applicable to all applicants for state credits, notwithstanding the fact that the developments or buildings may be financed by certain tax-exempt bonds in an amount so as not to require an allocation of federal credits hereunder. In the event that any reservation of state credits is reduced or terminated, the director may reserve or allocate, as applicable, such state credits to other eligible applicants in such manner as he shall determine consistent with the requirements of the state code.

§ 8. Allocation of federal credits.

At such time as one or more of an applicant's buildings or an applicant's development which has received a reservation of federal credits is (i) placed in service or satisfies the requirements of § 42(h)(1)(E) of the IRC and (ii) meets all of the preallocation requirements of these procedures, the binding commitment and any other applicable contractual agreements between the applicant and the department, the applicant shall so advise the department, shall request the allocation of all of the federal credits so reserved or such portion thereof to which the applicant's buildings or development is then entitled under the IRC, these procedures, the binding commitment and the aforementioned contractual agreements, if any, and shall submit such application, certifications, legal and accounting opinions, evidence as to costs, a breakdown of sources and uses of funds, pro forma financial statements setting forth anticipated cash flows, and other documentation as the director shall require in order to determine that the applicant's buildings or development is entitled to such federal credits as described above. The applicant shall certify to the department the full extent of all federal, state and local subsidies which apply (or which the applicant expects to apply) with respect to the buildings or the development.

As of the date of allocation of federal credits to any building or development and as of the date such building or such development is placed in service, the director shall determine the amount of federal credits to be necessary for the financial feasibility of the development and its viability as a qualified low-income housing development throughout the credit period under the IRC. In making such determinations, the director shall consider the sources and uses of the funds (including, without limitation, any funds to be derived from the state credits),

the available federal, state and local subsidies committed to the development, the total financing planned for the development as well as the investment proceeds or receipts expected by the department to be generated with respect to the development and the percentage of the federal credit dollar amount used for development costs other than the costs of intermediaries. He shall also examine the development's costs, including developer's fees and other amounts in the application, for reasonableness and, if he determines that such costs or other amounts are unreasonably high, he shall reduce them to amounts that he determines, in his sole discretion, to be reasonable. The director shall review the applicant's projected rental income, operating expenses and debt service for the credit period. The director may establish such criteria and assumptions as he shall then deem reasonable (or he may apply the criteria and assumptions he established pursuant to § 6) for the purpose of making such determinations, including, without limitation, criteria as to the reasonableness of fees and profits and assumptions as to the amount of net syndication proceeds to be received (based upon such percentage of the federal credit dollar amount used for development costs, other than the costs of intermediaries, as the director shall determine to be reasonable for the proposed development), increases in the market value of the development, and increases in operating expenses, rental income and, in the case of applications without firm financing commitments (as defined in § 6 hereinabove) at fixed interest rates, debt service on the proposed mortgage loan. The amount of federal credits allocated to the applicant shall in no event exceed such amount as so determined by the director by more than a de minimis amount of not more than \$100.

In the case of any buildings or development to be financed by certain tax-exempt bonds in such amount so as not to require under the IRC an allocation of federal credits hereunder, the director shall, upon timely request by the owner thereof, make the foregoing determination as of the date the buildings or the development is placed in service, and for the purpose of such determination, the owner of the buildings or development shall submit to the department such of the above described information and documents and such other information and documents as the director may require. The director shall also determine, in accordance with the IRC and upon timely request by the owner thereof, for such buildings or development (and, in addition, for any buildings or development to be financed by certain tax-exempt bonds of an issuer other than the department in such amount so as not to require under the IRC an allocation of federal credits hereunder) whether such buildings or development satisfies the requirements for allocation of federal credits hereunder.

Prior to allocating the federal credits to an applicant, the director shall require the applicant to execute, deliver and record among the land records of the appropriate jurisdiction or jurisdictions an extended low-income housing commitment in accordance with the requirements

of the IRC. Such commitment shall require that the applicable fraction (as defined in the IRC) for the buildings for each taxable year in the extended use period (as defined in the IRC) will not be less than the applicable fraction specified in such commitment and which prohibits both (i) the eviction or the termination of tenancy (other than for good cause) of an existing tenant of a low-income unit and (ii) any increase in the gross rent with respect to such unit not otherwise permitted under the IRC. The amount of federal credits allocated to any building shall not exceed the amount necessary to support such applicable fraction, including any increase thereto pursuant to § 42(f)(3) of the IRC reflected in an amendment to such commitment. The commitment shall provide that the extended use period will end on the day 15 years after the close of the compliance period (as defined in the IRC) or on the last day of any longer period of time specified in the application during which low-income housing units in the development will be occupied by tenants with incomes not in excess of the applicable income limitations; provided, however, that the extended use period for any building shall be subject to termination, in accordance with the IRC, (i) on the date the building is acquired by foreclosure or instrument in lieu thereof unless a determination is made pursuant to the IRC that such acquisition is part of an agreement with the current owner thereof, a purpose of which is to terminate such period or (ii) the last day of the one-year period following the written request by the applicant as specified in the IRC (such period in no event beginning earlier than the end of the fourteenth year of the compliance period) if the department is unable to present during such one-year period a qualified contract (as defined in the IRC) for the acquisition of the building by any person who will continue to operate the low-income portion thereof as a qualified low-income building. In addition, such termination shall not be construed to permit, prior to close of the three-year period following such termination, the eviction or termination of tenancy of any existing tenant of any low-income housing unit other than for good cause or any increase in the gross rents over the maximum rent levels then permitted by the IRC with respect to such low-income housing units. Such commitment shall also contain such other terms and conditions as the director may deem necessary or appropriate to assure that the applicant and the development conform to the representations, commitments and information in the application and comply with the requirements of the IRC (and, in the case of an allocation of state credits, the state code) and these procedures. Such commitment shall be a restrictive covenant on the buildings binding on all successors to the applicant and shall be enforceable in any state court of competent jurisdiction by individuals (whether prospective, present or former occupants) who meet the applicable income limitations under the IRC. Such commitment shall also be required with respect to any development financed by certain tax-exempt bonds in an amount so as not to require an allocation of federal credits hereunder and the form thereof shall be made available to owners of such developments upon their timely request therefor.

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In accordance with the IRC, the director may, for any calendar year during the project period (as defined in the IRC), allocate federal credits to a development, as a whole, which contains more than one building. Such an allocation shall apply only to buildings placed in service during or prior to the end of the second calendar year after the calendar year in which such allocation is made, and the portion of such allocation allocated to any building shall be specified not later than the close of the calendar year in which such building is placed in service. Any such allocation shall be subject to satisfaction of all requirements under the IRC.

If the director determines that the buildings or development is so entitled to the federal credits, he shall allocate the federal credits (or such portion thereof to which he deems the buildings or the development to be entitled) to the applicant's qualified low income buildings or to the applicant's development in accordance with the requirements of the IRC. If the director shall determine that the applicant's buildings or development is not so entitled to the federal credits, he shall not allocate the federal credits and shall so notify the applicant within a reasonable time after such determination is made. In the event that any such applicant shall not request an allocation of all of its reserved federal credits or whose buildings or development shall be deemed by the director not to be entitled to any or all of its reserved federal credits, the director may reserve or allocate, as applicable, such unallocated federal credits to the buildings or developments of other qualified applicants at such time or times and in such manner as he shall determine consistent with the requirements of the IRC and these procedures.

The director may prescribe (i) such deadlines for submissions of requests for allocations of federal credits (and, if applicable, state credits) for any calendar year as he deems necessary or desirable to allow sufficient processing time for the department to make such allocations within such calendar year and (ii) such deadlines for satisfaction of all preallocation requirements of the IRC (and, in the case of state credits, the state code), the binding commitment, any contractual agreements between the department and the applicant and these procedures as he deems necessary or desirable to allow the department sufficient time to allocate to other eligible applicants any federal credits for which the applicants fail to satisfy such requirements.

The director may make the allocation of federal credits subject to such terms as he may deem necessary or appropriate to assure that the applicant and the development comply with the requirements of the IRC.

The director may also (to the extent not already required under § 6 hereof) require that all applicants make such good faith deposits or execute such contractual agreements with the department as the director may require with respect to the federal credits (and, if applicable, state credits), (i) to ensure that the

buildings or development are completed in accordance with the binding commitment, including all of the representations made in the application for which points were assigned pursuant to § 6 hereof and (ii) only in the case of any buildings or development which are to receive an allocation of federal credits hereunder and which are to be placed in service in any future year, to assure that the buildings or the development will be placed in service as a qualified low-income housing project (as defined in the IRC) in accordance with the IRC and that the applicant will otherwise comply with all of the requirements under the IRC.

In the event that the director determines that a development for which an allocation of federal credits is made shall not become a qualified low-income housing project (as defined in the IRC) within the time period required by the IRC or the terms of the allocation or any contractual agreements between the applicant and the department, the director may terminate the allocation and rescind the federal credits in accordance with the IRC and, in addition, may draw on any good faith deposit and enforce any of the department's rights and remedies under any contractual agreement. An allocation of federal credits to an applicant may also be cancelled with the mutual consent of such applicant and the director. Upon the termination or cancellation of any federal credits, the director may reserve, allocate or carry over, as applicable, such federal credits in such manner as he shall determine consistent with the requirements of the IRC and these procedures.

§ 9. Allocation of state credits.

Upon the allocation of federal credits to the buildings or development described in an application which received a reservation of state credits under § 7, the director shall allocate state credits to such buildings or development in an amount equal to the amount of federal credits so allocated times such percentage of federal credits as shall have been determined by the director under § 7 but in no event shall such amount of state credits exceed the amount reserved to the application under § 7. If the amount of state credits so allocated to the buildings or development under this § 9 is less than the amount of state credits reserved to the application under § 7, then the director may reserve to other applications or allocate to other buildings or developments, as applicable, such unallocated state credits at such time or times and in such manner as he shall determine consistent with the requirements of the state code.

In the case of any buildings or development to be financed by certain tax-exempt bonds in an amount so as not to require under the IRC an allocation of federal credits hereunder, the director shall, prior to the last day of the calendar year in which such building or development is reserved state credits, allocate state credits to the buildings or development in an amount equal to the amount of federal credits to be claimed annually by the applicant times such percentage of federal credits as

shall have been determined by the director under § 7 but in no event shall such amount of state credits exceed the amount reserved to the application under § 7.

Prior to any allocation of state credits, the director may require the applicant to confirm the status of the owner or owners as Virginia taxpayers who are eligible for an allocation of state credits under § 7.

The director may make the allocation of state credits subject to such terms as he may deem necessary or appropriate to assure that the applicant and the development conform to the representations, commitments, and information in the application and comply with the requirements of the IRC, the state code, and these procedures.

The state credits allocated may be claimed for the first five taxable years in which the federal credits shall be claimed. The amount of state credits claimed in each such year shall be such percentage of the federal credits so claimed as shall have been established by the director pursuant to § 7; provided, however, that the amount of state credits which may be claimed by the applicant in the initial taxable year shall be calculated for the entire development on the basis of a twelve-month period during such initial taxable year, notwithstanding that the federal credits may be calculated on the basis of some (but not all) of the buildings in such development or on the basis of a period of less than twelve months or both; provided, further, that in no event shall the amount of state credits claimed in any year exceed the amount allocated under this § 9.

In the event that any federal credits claimed by the applicant for any taxable year in which the applicant also claimed state credits shall be recaptured pursuant to the IRC, the state credits for such taxable year shall be recaptured in an amount equal to the amount of federal credits recaptured for such taxable year times such percentage as shall have been established by the director pursuant to § 7. The applicants receiving state credits shall provide the department with such information as the director may from time to time request regarding any recapture of the federal credits.

On or before such date each year as the director may require, each applicant shall apply to the department to determine the amount of state credits which such applicant may claim for the applicable taxable year. Each such applicant shall submit such documents, certifications and information as the director may require. The department shall certify to the Department of Taxation on forms prepared by the department that the applicant qualified for the state credits in the amount set forth therein and shall provide such certification to the applicant. Such certification is required to be attached to the applicant's state income tax return to be filed with the Department of Taxation.

Section 8 hereof contains certain provisions relating to

(i) the establishment of deadlines for submission of requests for allocation of state credits and for satisfaction of requirements of the IRC and state code and (ii) requirements for good faith deposits and contractual agreements. Such provisions shall be applicable to all applicants for state credits, notwithstanding the fact that the developments or buildings may be financed by certain tax-exempt bonds in an amount so as not to require an allocation of federal credits hereunder.

In the event that any allocation of federal credits shall be terminated and rescinded or cancelled pursuant to § 8 (or, in the case of any development or buildings to be financed by certain tax-exempt bonds in an amount so as not to require an allocation of federal credits hereunder, in the event that the development shall not become a qualified low-income housing project as defined in the IRC within the time period required by the IRC or by the terms of the allocation of state credits), the director may also terminate and rescind or cancel the state credits and, if permitted by the state code, may reserve or allocate, as applicable, such state credits to other qualified applicants at such time or times and in such manner as he shall determine consistent with the requirements of the state code.

§ 10. Reservation and allocation of additional federal credits and state credits.

Prior to the initial determination of the "qualified basis" (as defined in the IRC) of the qualified low-income buildings of a development pursuant to the IRC, an applicant to whose buildings federal credits or state credits or both have been reserved may submit an application for a reservation of additional federal credits or state credits or both. Subsequent to such initial determination of the qualified basis, the applicant may submit an application for an additional allocation of federal credits or state credits or both by reason of an increase in qualified basis based on an increase in the number of low-income housing units or in the amount of floor space of the low-income housing units. Any application for an additional allocation of federal credits or state credits or both shall include such information, opinions, certifications and documentation as the director shall require in order to determine that the applicant's buildings or development will be entitled to such additional federal credits or state credits or both under the IRC, the state code and these procedures. The application shall be submitted, reviewed, ranked and selected by the director in accordance with the provisions of §§ 6 and 7 hereof, and any allocation of federal credits or state credits or both shall be made in accordance with §§ 8 and 9 hereof. For the purposes of such review, ranking and selection and the determinations to be made by the director under the procedures as to the financial feasibility of the development and its viability as a qualified low-income development during the credit period, the amount of federal credits or state credits, or both, previously reserved to the application or allocated to the buildings or development (or, in the case of any

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development or building to be financed by certain tax-exempt bonds in an amount so as not to require an allocation of federal credits hereunder, the amount of federal credit which may be claimed by the applicant) shall be included with the amount of such federal credits or state credits or both so requested.

§ 11. Monitoring for IRS compliance.

All applicants who receive an allocation of federal credits are responsible for complying with § 42 of the IRC.

The federal law requires that the Commonwealth monitor projects receiving federal credits for noncompliance with the provisions of § 42 of the IRC and notify the IRS of such noncompliance with which it becomes aware.

Unless additional procedures are required by the Internal Revenue Service, applicants must submit to the department copies of reports satisfying the reporting requirements of syndicators or public lenders such as the department, FmHA or HUD which are involved in the project. For those projects which do not have reporting requirements imposed by a public lender or a syndicator, the department will require the sponsor to file an annual certification of compliance with the department.

§ 12. Notification to the Internal Revenue Service of noncompliance with IRC.

In the event that the director shall become aware of noncompliance by any applicant with any of the provisions of § 42 of the IRC, the director shall, within 90 days, notify the Internal Revenue Service of such noncompliance. Such notification shall identify the applicant and the buildings and shall describe the noncompliance.

VIRGINIA HOUSING DEVELOPMENT AUTHORITY

REGISTRAR'S NOTICE: VR 400-02-0011, Rules and Regulations for Allocation of Low-Income Housing Tax Credits, became effective on December 4, 1991, and was published in The Virginia Register on December 30, 1991. By Executive Order No. Forty (91), the Governor has transferred this regulation to the Department of Housing and Community Development. Please refer to that Department's entry in the Proposed Regulations section of this Register for full text.

Title of Regulation: VR 400-02-0011. Rules and Regulations for Allocation of Low-Income Housing Tax Credits. (REPEAL)

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

Summary:

VHDA proposes to repeal its rules and regulations for the allocation of federal low-income housing tax credits ("Credits") available under § 42 of the Internal Revenue Code (the "IRC").

STATE WATER CONTROL BOARD

Title of Regulation: VR 680-16-16. Richmond-Crater Interim Water Quality Management Plan. (WITHDRAWN)

Statutory Authority: § 62.1-44.15(3) of the Code of Virginia.

NOTICE: The Department is WITHDRAWING the proposed regulation entitled "Richmond-Crater Interim Water Quality Management Plan" (VR 680-16-16) published in 6:7 VA.R. 1061-1063 January 1, 1990.

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 HEALTH (STATE BOARD OF)

Title of Regulation: ~~VR 355-34-01.~~ VR 355-34-100. Private Well Regulations.

Statutory Authority: § 32.1-176 of the Code of Virginia.

Effective Date: April 1, 1992.

Summary:

The Private Well Regulations were effective September 1, 1990. These regulations established minimum location and construction standards for private wells. They also established a permitting process for all private wells. After September 1, 1990, a permit from the Department of Health was required before drilling any private well. These regulations replaced portions of Article 11 in the Sewage Handling and Disposal Regulations that governed private wells constructed in conjunction with onsite sewage systems. Observation and monitoring wells were exempted from the location and construction requirements of the regulations except when they were to remain in use as a water well. Well abandonment was also described in the regulations.

The revisions mostly deal with Class IV (or nondrinking water wells) and their location relative to a building that is chemically treated for termites. The regulations as effective on September 1, 1990, required a minimum separation distance of 100 feet between Class IV wells and termite treated building foundations. After holding 9 public hearings across the Commonwealth in which this was a major issue, the Board of Health adopted a 10 feet minimum separation distance between Class IV wells and termite treated foundations if the well site and construction meet certain conditions.

The board has also adopted a change in the permitting procedure for Class IV wells on properties without onsite sewage disposal systems. The process has been streamlined to shorten the turnaround time from application to permit issuance.

The abandonment of bored wells has also been modified to reduce the cost of abandoning the well while still protecting the ground water resource.

Another change is the inclusion of emergency procedures to give priority to applications to replace wells that have failed to provide the water necessary

for their intended use. These emergency procedures apply to replacement private drinking water wells, heat pump source wells, or commercially dependent wells (wells that are the sole source of water for a commercial or animal livestock facility that requires water from the well for continued operation).

Other changes include a provision locating wells on property other than the owner's if an easement in perpetuity is recorded and deletion of the 10 feet minimum separation distance between wells and property and utility lines.

The remaining changes consist mostly of clarification of the existing regulations and correction of errors in the text.

VR 355-34-100. Private Well Regulations.

PART I. GENERAL FRAMEWORK FOR REGULATIONS.

Article 1. Definitions.

§ 1.1. Definitions.

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

"Abandoned well" means a private well whose pump has been disconnected for reasons other than repair or replacement, or whose use has been discontinued or pronounced abandoned by the owner. A temporarily abandoned well is a well that is intended to be returned to service as a source of water at some future time. A permanently abandoned well is a well that is not intended to be used as a source of water at any future time. *Abandoned wells must meet the requirements of § 3.11.*

"Agent" means a legally authorized representative of the owner.

"Annular space" means the space between the bore hole wall and the outside of a water well casing pipe, or between a casing pipe and a liner pipe.

"Aquifer" means a geologic formation, group of formations, or part of a formation, that transmits water.

"Bedrock" means any solid rock underlying soil, sand, or clay.

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"Bored well" means a well that is excavated by means of a soil auger (hand or power) as distinguished from a well which is drilled, driven, dug, or jetted.

"Closed-loop ground-source heat pump well" means a well consisting of a sealed loop of plastic pipe buried beneath the earth's surface to allow heat transfer between the fluid in the pipe and the earth.

"Collapsing material" means any soil or gravel material which collapses upon itself forming a seal with the casing and leaves no voids around the casing.

"Commercially dependent well" means a well that is the sole source of water for a commercial facility that requires the water from the well for continued operation. Examples include wells serving an ice plant, a car wash facility, [~~or~~] irrigation for commercial nurseries [, or agricultural wells that provide water for livestock or irrigation] .

"Commissioner" means the State Health Commissioner or his subordinate who has been delegated powers in accordance with § [1-8 1.9] B of these regulations.

"Confined aquifer" means an aquifer that is confined by an overlying impermeable formation.

"Consolidated rock" means a formation consisting entirely of a natural rock formation that contains no soil and does not collapse against the well casing.

"Construction of wells" means acts necessary to construct private wells, including the location of private wells, the boring, digging, drilling, or otherwise excavating of a well hole and installing the installation casing with or without well screens, or well curbing.

"Deep well ejector pump system" means a well that utilizes a casing adapter [inside the well casing] and a deep well ejector. These wells must maintain a constant vacuum to operate.

"Dewatering well" means a driven well constructed for the sole purpose of lowering the water table and kept in operation for a period of 60 days or less. Dewatering wells are used to allow construction in areas where a high water table hinders or prohibits construction and are always temporary in nature.

"Disinfection" means the destruction of all pathogenic organisms.

"Division" means the Division of Sanitarian Services.

"District health department" means a consolidation of local health departments as authorized in § 32.1-31 C of the Code of Virginia.

"Drilled shallow well suction pump system" means a drilled well two inches or less in diameter that utilizes an

offset pump to draw water from the well through the casing. These wells must maintain a constant vacuum in order to operate.

"Drilled well" means a well that is excavated wholly or in part by means of a drill (either percussion or rotary) which operates by cutting or abrasion.

"Driven well" means a well that is constructed by driving a pipe, at the end of which there is a drive point and screen, without the use of any drilling, boring or jetting device.

"Dug well" means a well that is excavated by means of picks, shovels, or other hand tools, or by means of a power shovel or other dredging or trenching machinery, as distinguished from a bored, drilled, driven, or jetted well.

"Emergency well replacement" means the replacement of an existing private drinking water well, heat pump well, or commercially dependent well that has failed to deliver the water needed for its intended use. Such failure requires the drilling of a new well or extensive modifications to the existing well. The replacement of failed noncommercial irrigation wells, [~~agricultural wells,~~] and other types of private wells are not considered emergencies.

"Gravel pack" means gravel placed outside a well screen in a well to assist the flow of water into the well screen and to inhibit clogging of the screen.

"Ground water" means any water, except capillary moisture, beneath the land surface in the zone of saturation or beneath the bed of any stream, lake, reservoir or other body of surface water within the boundaries of this Commonwealth, whatever may be the subsurface geologic structure in which such water stands, flows, percolates, or otherwise occurs.

"Grout" means any stable, impervious bonding material, reasonably free of shrinkage, which is capable of providing a watertight seal in the annular spaces of a water well throughout the depth required, to protect against the intrusion of objectionable matter.

"Jetted well" means a well that is excavated using water pumped under pressure through a special washing point to create a water jet which cuts, abrades, or erodes material to form the well.

"Local health department" means the department established in each city and county in accordance with § 32.1-30 of the Code of Virginia.

"Noncollapsing material" means soil or gravel material which can maintain an open bore hole long enough to grout the annular space between a well and the bore hole [~~or rock or~~ . For the purpose of these regulations,] soil [or gravel] material which collapses upon itself but creates voids around the casing [is considered noncollapsing

material] .

"Observation or monitoring well" means a well constructed to measure hydrogeologic parameters, such as the fluctuation of water levels, or for monitoring the quality of ground water, or for both purposes.

"Owner" means any person, who owns, leases, or proposes to own or lease a private well.

"Person" means any and all persons, including individuals, firms, partnerships, associations, public or private institutions, municipalities or political subdivisions, governmental agencies, or private or public corporations organized under the law of this Commonwealth or any other state or country.

"Private well" means any water well constructed for a person on land which is owned or leased by that person and is usually intended for household, ground water source heat pump, agricultural use, industrial use, or other nonpublic water well.

"Replacement well" means a well being constructed to take the place of an existing well that is being taken out of service and is being abandoned.

"Sanitary survey" means an investigation of any condition that may affect public health.

"Screen" means the intake section of a well that obtains water from an unconsolidated aquifer providing for the water to flow freely and adding structural support to the bore hole. Screens are used to increase well yield or prevent the entry of sediment, or both.

"Sewage" means water carried and nonwater carried human excrement, kitchen, laundry, shower, bath, or lavatory wastes separately or together with such underground, surface, storm and other water and liquid industrial wastes as may be present from residences, buildings, vehicles, industrial establishments or other places.

"Sewage disposal system" means a sewerage system or treatment works designed not to result in a point source discharge.

"Sewer" means any sanitary or combined sewer used to convey sewage or municipal or industrial wastes.

"Sewerage system" means pipelines or conduits, pumping stations and force mains and all other construction, devices and appliances appurtenant thereto, used for the collection and conveyance of sewage to a treatment works or point of ultimate disposal.

"Subsurface soil absorption" means a process which utilizes the soil to treat and dispose of sewage effluent.

"Treatment works" means any device or system used in

the storage, treatment, disposal or reclamation of sewage or combinations of sewage and industrial wastes, including but not limited to pumping, power and other equipment and appurtenances, septic tanks, and any works, including land, that are or will be (i) an integral part of the treatment process or (ii) used for the ultimate disposal of residues or effluents resulting from such treatment.

"Variance" means a conditional waiver of a specific regulation which is granted to a specific owner relating to a specific situation or facility and may be for a specified time period.

"Water table" means the uppermost surface of ground water saturation. The level in the saturated zone at which the pressure is equal to atmospheric pressure.

"Water well" or *"well"* means any artificial opening or artificially altered natural opening, however made, by which ground water is sought or through which ground water flows under natural pressure or is intended to be artificially drawn; provided this definition shall not include wells drilled for the following purposes: (i) exploration or production of oil or gas, (ii) building foundation investigation and construction, (iii) elevator shafts, (iv) grounding of electrical apparatus, or (v) the modification or development of springs.

"Yield" means the quantity of water, usually measured in volume of water per unit time, which may flow or which may be pumped, from a well or well field.

Article 2. General Provisions.

§ 1.2. Authority for regulations.

Title 32.1 of the Code of Virginia, and specifically §§ 32.1-12 and 32.1-176.4, provide that the State Board of Health has the duty to protect the public health and to ensure that ground water resources are not adversely affected by the construction and location of private wells. In order to discharge this duty, the board is empowered to supervise and regulate the construction and location of private wells within the Commonwealth.

§ 1.3. Purpose of regulations.

These regulations have been promulgated by the State Board of Health to:

1. Ensure that all private wells are located, constructed and maintained in a manner which does not adversely affect ground water resources, or the public welfare, safety and health;
2. Guide the State Health Commissioner in his determination of whether a permit for construction of a private well should be issued or denied;
3. Guide the owner or his agent in the requirements

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necessary to secure a permit for construction of a private well; and

4. Guide the owner or his agent in the requirements necessary to secure an inspection statement following construction.

§ 1.4. Relationship to Virginia Sewage Handling and Disposal Regulations.

These regulations supersede § 4.50 of the Virginia Sewage Handling and Disposal Regulations, and § 4.49 B and C of the Virginia Sewage Handling and Disposal Regulations which address private wells, and were adopted by the State Board of Health pursuant to Title 32.1 of the Code of Virginia.

§ 1.5. Relationship to the State Water Control Board.

These regulations are independent of all regulations promulgated by the State Water Control Board. Ground water users located in a ground water management area may be required to obtain a permit from the State Water Control Board in addition to obtaining a permit from the Department of Health.

§ 1.6. Relationship to the Department of Waste Management.

These regulations establish minimum standards for the protection of public health and ground water resources. Observation wells, monitoring wells, and remediation wells constructed under the supervision of the Virginia Department of Waste Management are governed by § 3.8 of these regulations.

§ 1.7. Relationship to the Uniform Statewide Building Code.

These regulations are independent of and in addition to the requirements of the Uniform Statewide Building Code. All persons required to obtain a well permit by these regulations shall furnish a copy of the permit to the local building official, upon request, when making application for a building permit. Prior to obtaining an occupancy permit, an applicant shall furnish the local building official with a copy of the inspection statement demonstrating the water supply has been inspected, sampled (when applicable), and approved by the district or local health department.

[§ 1.8. Relationship to the Department of Commerce.

In accordance with § 54.1-1100 of the Code of Virginia, any contractor constructing a water well to reach ground water shall possess, as a minimum, a valid Class B contractors license.]

§ [~~1.8.~~ 1.9.] Administration of regulations.

These regulations are administered by the following:

A. State Board of Health.

The State Board of Health, hereinafter referred to as the board, has the responsibility to promulgate, amend, and repeal regulations necessary to ensure the proper construction and location of private wells.

B. State Health Commissioner.

The State Health Commissioner, hereinafter referred to as the commissioner, is the chief executive officer of the State Department of Health. The commissioner has the authority to act, within the scope of regulations promulgated by the board, and for the board when it is not in session. The commissioner may delegate his powers under these regulations in writing to any subordinate, with the exception of (i) his power to issue variances under § 32.1-12 of the Code of Virginia and § 2.7 of these regulations, (ii) his power to issue orders under § 32.1-26 of the Code of Virginia and §§ 2.4 and 2.5 B of these regulations and (iii) the power to revoke permits or inspection statements under § [~~2.16~~ 2.19] of these regulations, which may only be delegated pursuant to § 32.1-22 [*of the Code of Virginia*].

The commissioner has final authority to adjudicate contested case decisions of subordinates delegated powers under this section prior to appeal of such case decisions to the circuit court.

C. State Department of Health.

The State Department of Health hereinafter referred to as department is designated as the primary agent of the commissioner for the purpose of administering these regulations.

D. District or local health departments.

The district or local health departments are responsible for implementing and enforcing the regulatory activities required by these regulations.

§ [~~1.9.~~ 1.10.] Right of entry and inspections.

In accordance with the provisions of §§ 32.1-25 and 32.1-176.6 of the Code of Virginia, the commissioner or his designee shall have the right to enter any property to ensure compliance with these regulations.

PART II. PROCEDURAL REGULATIONS.

Article 1. Procedures.

§ 2.1. Compliance with the Administrative Process Act.

The provisions of the Virginia Administrative Process Act (§ 9-6.14:1 et seq. of the Code of Virginia) shall govern the promulgation and administration of these

regulations and shall be applicable to the appeal of any case decision based upon these regulations.

§ 2.2. Powers and procedures of regulations not exclusive.

The commissioner may enforce these regulations through any means lawfully available.

§ 2.3. Effective date of regulations.

The effective date of these regulations is September 1, 1990. *Amendment number 1 is effective [..... April 1] , 1992.*

§ 2.4. Emergency order.

If an emergency exists the commissioner may issue an emergency order as is necessary for preservation of public health, safety, and welfare or to protect ground water resources. The emergency order shall state the reasons and precise factual basis upon which the emergency order is issued. The emergency order shall state the time period for which it is effective. Emergency orders will be publicized in a manner deemed appropriate by the commissioner. The provisions of §§ 2.5 C and 2.5 D shall not apply to emergency orders issued pursuant to this section.

§ 2.5. Enforcement of regulations.

A. Notice.

Subject to the exceptions below, whenever the commissioner or the district or local health department has reason to believe a violation of any of these regulations has occurred or is occurring, the alleged violator shall be notified. Such notice shall be made in writing, shall be delivered personally or sent by certified mail, shall cite the regulation or regulations that are allegedly being violated, shall state the facts which form the basis for believing the violation has occurred or is occurring, shall include a request for a specific action by the recipient by a specified time and shall state the penalties associated with such violation. When the commissioner deems it necessary, he may initiate criminal prosecution or seek civil relief through mandamus or injunction prior to giving notice.

B. Orders.

Pursuant to the authority granted in § 32.1-26 of the Code of Virginia, the commissioner may issue orders to require any owner, or other person, to comply with the provisions of these regulations. The order shall be signed by the commissioner and may require:

1. The immediate cessation and correction of the violation;
2. Appropriate remedial action to ensure that the violation does not recur;

3. The submission of a plan to prevent future violations to the commissioner for review and approval;

4. The submission of an application for a variance; ~~and or~~

5. Any other corrective action deemed necessary for proper compliance with the regulations.

C. Hearing before the issuance of an order.

Before the issuance of an order described in § 2.5 B, a hearing must be held, with at least 30 days notice by certified mail to the affected owner or other person of the time, place and purpose thereof, for the purpose of adjudicating the alleged violation or violations of these regulations. The procedures at the hearing shall be in accordance with § 2.8 A or B of the regulations and with §§ 9-6.14:11 through 9-6.14:14 of the Code of Virginia.

D. Order; when effective.

All orders issued pursuant to § 2.5 B shall become effective not less than 15 days after mailing a copy thereof by certified mail to the last known address of the owner or person violating these regulations. Violation of an order is a Class 1 misdemeanor. See § 32.1-27 of the Code of Virginia.

E. Compliance with effective orders.

The commissioner may enforce all orders. Should any owner or other person fail to comply with any order, the commissioner may:

1. Apply to an appropriate court for an injunction or other legal process to prevent or stop any practice in violation of the order;

2. *Commence administrative proceedings to suspend or revoke the construction permit;*

3. Request the Attorney General to bring an action for civil penalty, injunction, or other appropriate remedy; or

4. Request the ~~Commonwealth~~ Commonwealth's Attorney to bring a criminal action.

F. Not exclusive means of enforcement.

Nothing contained in § 2.4 or § 2.5 shall be interpreted to require the commissioner to issue an order prior to *commencing administrative proceedings* or seeking enforcement of any regulations or statute through an injunction, mandamus or criminal prosecution.

§ 2.6. Suspension of regulations during disasters.

If in the case of a man-made or natural disaster, the

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commissioner finds that certain regulations cannot be complied with and that the public health is better served by not fully complying with these regulations, he may authorize the suspension of the application of the regulations for specifically affected localities and institute a provisional regulatory plan until the disaster is abated.

§ 2.7. Variances.

Only the commissioner or the deputy commissioners may grant a variance to these regulations. (See §§ 32.1-12 and 32.1-22 of the Code of Virginia and § [1-8 1.9] B of these regulations). The commissioner or the deputy commissioners shall follow the appropriate procedures set forth in this subsection in granting a variance.

A. Requirements for a variance.

The commissioner may grant a variance if a thorough investigation reveals that the hardship imposed ; ~~which may be economic~~, by these regulations outweighs the benefits that may be received by the public. Further, the granting of such a variance shall not subject the public to unreasonable health risks or jeopardize ground water resources.

[*Exception: The commissioner shall not grant a variance for an improperly located Class IV well that was located pursuant to an express Class IV permit, as described under §§ 2.16 and 2.17, if the improper location of the well is a result of the failure by the owner, his agent, or the well driller to provide complete or accurate information on the site plan submitted with the application or to install the well in accordance with the permit.]*

B. Application for a variance.

Any owner who seeks a variance shall apply in writing within the time period specified in § 2.11 B. The application shall be signed by the owner, addressed and sent to the commissioner at the State Department of Health in Richmond. The application shall include:

1. A citation to the regulation from which a variance is requested;
2. The nature and duration of the variance requested;
3. Any relevant analytical results including results of relevant tests conducted pursuant to the requirements of these regulations;
4. Statements or evidence why the public health and welfare as well as the ground water resources would not be degraded if the variance were granted;
5. Suggested conditions that might be imposed on the granting of a variance that would limit the detrimental impact on the public health and welfare or ground water resources;

6. Other information, if any, believed pertinent by the applicant; and

7. Such other information as the district or local health department or commissioner may require.

C. Evaluation of a variance application.

1. The commissioner shall act on any variance request submitted pursuant to § 2.7 B within 60 calendar days of receipt of the request.

2. In the evaluation of a variance application, the commissioner shall consider the following factors:

- a. The effect that such a variance would have on the construction, location, or operation of the private well;
- b. The cost and other economic considerations imposed by this requirement;
- c. The effect that such a variance would have on protection of the public health;
- d. The effect that such a variance would have on protection of ground water resources; and
- e. Such other factors as the commissioner may deem appropriate.

D. Disposition of a variance request.

1. The commissioner may deny any application for a variance by sending a denial notice to the applicant by certified mail. The notice shall be in writing and shall state the reasons for the denial.

2. If the commissioner proposes to grant a variance request submitted pursuant to § 2.7 B, the applicant shall be notified in writing of this decision. Such notice shall identify the variance, private well covered, and shall specify the period of time for which the variance will be effective. The effective date of a variance shall be as stated in the variance.

3. No owner may challenge the terms or conditions set forth in the variance after 30 calendar days have elapsed from the effective date of the variance.

E. Posting of variances.

All variances granted to any private wells are transferable *from owner to owner* unless otherwise stated. Each variance shall be attached to the permit to which it is granted. Each variance is revoked when the permit to which it is attached is revoked.

F. Hearings on disposition of variances.

Subject to the time limitations specified in § 2.11,

hearings on denials of an application for a variance or on challenges to the terms and conditions of a granted variance may be held pursuant to § 2.8 A or § 2.8 B, except that informal hearings under § 2.8 A shall be held by the commissioner or his designee.

§ 2.8. Hearing types.

Hearings before the commissioner or the commissioner's designees shall include any of the following forms depending on the nature of the controversy and the interests of the parties involved.

A. Informal hearings.

An informal hearing is a meeting with a district or local health department with the district or local health director presiding and held in conformance with § 9-6.14:11 of the Code of Virginia. The district or local health department shall consider all evidence presented at the meeting which is relevant to the issue in controversy. Presentation of evidence, however, is entirely voluntary. The district or local health department shall have no subpoena power. No verbatim record need be taken at the informal hearing. The local or district health director shall review the facts presented and based on those facts render a decision. A written copy of the decision and the basis for the decision shall be sent to the appellant within 15 work days of the hearing, unless the parties mutually agree to a later date in order to allow the department to evaluate additional evidence. If the decision is adverse to the interests of the appellant, an aggrieved appellant may request an adjudicatory hearing pursuant to § 2.8 B below.

B. Adjudicatory hearing.

The adjudicatory hearing is a formal, public adjudicatory proceeding before the commissioner, or a designated hearing officer, and held in conformance with § 9-6.14:12 of the Code of Virginia. An adjudicatory hearing includes the following features:

1. Notice. Notice which states the time and place and the issues involved in the prospective hearing shall be sent to the owner or other person who is the subject of the hearing. Notice shall be sent by certified mail at least 15 calendar days before the hearing is to take place.
2. Record. A record of the hearing shall be made by a court reporter. A copy of the transcript of the hearing, if transcribed, will be provided within a reasonable time to any person upon written request and payment of the cost.
3. Evidence. All interested parties may attend the hearing and submit oral and documentary evidence and rebuttal proofs, expert or otherwise, that are material and relevant to the issues in controversy. The admissibility of evidence shall be determined in accordance with § 9-6.14:12 of the Code of Virginia.

4. Counsel. All parties may be accompanied by and represented by counsel and are entitled to conduct such cross examination as may elicit a full and fair disclosure of the facts.

5. Subpoena. Pursuant to § 9-6.14:13 of the Code of Virginia, the commissioner or hearing officer may issue subpoenas on behalf of himself or any person or owner for the attendance of witnesses and the production of books, papers or maps. Failure to appear or to testify or to produce documents without adequate excuse may be reported by the commissioner to the appropriate circuit court for enforcement.

6. Judgment and final order. The commissioner may designate a hearing officer or subordinate to conduct the hearing as provided in § 9-6.14:12 of the Code of Virginia, and to make written recommended findings of fact and conclusions of law to be submitted for review and final decision by the commissioner. The final decision of the commissioner shall be reduced to writing and will contain the explicit findings of fact upon which his decision is based. Certified copies of the decision shall be delivered to the owner affected by it. Notice of a decision will be served upon the parties and become a part of the record. Service may be by personal service or certified mail return receipt requested.

§ 2.9. Request for hearing.

A request for an informal hearing shall be made by sending the request in writing to the district or local health department. A request for an adjudicatory hearing shall be made in writing and directed to the commissioner at the State Department of Health in Richmond. Requests for hearings shall cite the reason(s) for the hearing request and shall cite the section(s) of these regulations involved.

§ 2.10. Hearing as a matter of right.

Any owner or other person whose rights, duties, or privileges have been, or may be affected by any decision of the board or its subordinates in the administration of these regulations shall have a right to both informal and adjudicatory hearings. The commissioner may require participation in an informal hearing before granting the request for a full adjudicatory hearing. Exception: No person other than an owner shall have the right to an adjudicatory hearing to challenge the issuance of either a construction permit or inspection statement unless the person can demonstrate at an informal hearing that the minimum standards contained in these regulations have not been applied and that he will be injured in some manner by the issuance of the permit or that ground water resources will be damaged by the issuance of the permit.

§ 2.11. Appeals.

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Any appeal from a denial of a construction permit for a private well must be made in writing and received by the department within 60 days of the date of the denial.

A. Any request for hearing on the denial of an application for a variance pursuant to § 2.7 D.1 must be made in writing and received within 60 days of receipt of the denial notice.

B. Any request for a variance must be made in writing and received by the department prior to the denial of the private well permit, or within 60 days after such denial.

C. In the event a person applies for a variance within the 60-day period provided by subsection B above, the date for appealing the denial of the permit, pursuant to subsection A above, shall commence from the date on which the department acts on the request for a variance.

D. Pursuant to the Administrative Process Act (§ 9-6.14:1 et seq. of the Code of Virginia) an aggrieved owner may appeal a final decision of the commissioner to an appropriate circuit court.

§ 2.12. Permits and inspection statement; general.

All private wells shall be constructed and located in compliance with the requirements as set forth in these regulations.

A. Except as provided in § 2.12 B below, after the effective date of these regulations, no person shall construct, alter, rehabilitate, [*abandon*] or extend a private well, or allow the construction, alteration, rehabilitation, [*abandonment*] or extension of a private well, without a written construction permit from the commissioner. Conditions may be imposed on the issuance of any permit and no private well shall be constructed or modified in violation of those conditions. The replacement of a well pump, or the replacement of a well seal or cap with an equivalent well seal or cap, shall not be considered a well modification.

B. No permit shall be required for the construction, operation, or abandonment of dewatering wells. Furthermore, dewatering wells are exempted from the construction requirements found in § 3.7 of these regulations. All dewatering wells shall be abandoned within 60 days of construction. Abandonment in this case means the removal of the well point, well casing, screening, and other appurtenances associated with the construction and operation of the well.

C. Except as provided in § ~~2.10~~ § [~~2.20~~ 2.22], no person shall place a private well in operation, or cause or allow a private well to be placed in operation, without obtaining a written inspection statement pursuant to §§ ~~2.18~~ [~~2.19~~ 2.21] and ~~2.20~~ [~~2.21~~ 2.23].

D. Except as provided in §§ ~~2.16~~ and 2.17 [, 2.19] and [~~2.18~~ 2.20], construction permits for a private well shall

be deemed valid for a period of 54 months from the date of issuance.

§ 2.13. Procedures for obtaining a construction permit for a private well.

Construction permits are issued by the authority of the commissioner. All requests for a private well construction permit shall be by written application, signed by the owner or his agent, and shall be directed to the district or local health department. All applications shall be made on an application form provided by the district or local health department and approved by the commissioner.

An application shall be deemed completed upon receipt by the district or local health department of a signed and dated application, together with the appropriate fee, containing the following information:

1. The property owner's name, address, and telephone number;
2. The applicant's name, address, and phone number (if different from subdivision 1 above);
3. A statement signed by the property owner, or his agent, granting the Health Department access to the site for the purposes of evaluating the suitability of the site for a well and allowing the department access to inspect the well after it is installed;
4. A site plan showing the proposed well site, property boundaries, accurate locations of actual or proposed sewage disposal systems, recorded easements, and other sources of contamination within [~~200~~ 100] feet of the proposed well site, and at the option of the applicant a proposed well design; and
5. When deemed necessary because of geological or other natural conditions, plans and specifications detailing how the well will be constructed.

§ 2.14. Issuance of the construction permit.

A construction permit shall be issued to the owner by the commissioner no later than 60 days after receipt of a complete and approvable application submitted under § 2.13. *If applicable, the applicant shall comply with § [~~2.22~~ 2.24] prior to issuance of the permit.*

§ 2.15. Emergency procedures.

Applications for replacement wells that meet the definition of an emergency well replacement (§ 1.1) shall have priority over normal applications for private well permits. Emergency procedures are as follows:

A. Drinking water wells.

In the event a private drinking water well has failed and must be replaced, the local health department will

conduct a sanitary survey of the property and surrounding area to determine the most suitable location. If a site is found that meets the minimum site requirements of these regulations, including the minimum separation distances contained in Table 3.1 and § 3.4 F, the local health department will issue a permit for that site. If a site cannot be located that meets the minimum separation distances listed in Table 3.1 and § 3.4 F, the local health department shall identify a site that complies with the minimum separation distances to the greatest extent possible. However, the replacement well shall not be located closer to any source of contamination than the existing well it is replacing. Replacement drinking water wells must meet the sampling requirements of §§ 3.3 D and E.

B. Heat pump wells or commercially dependent wells.

If a heat pump well or commercially dependent well must be replaced, the applicant shall propose a replacement site based on the technical requirements of the heat pump system or commercial establishment. The local health department will conduct a sanitary survey of the property and surrounding area to determine if the site meets the minimum site requirements of these regulations including the minimum separation distances contained in Table 3.1 and § 3.4 F. If the site meets the minimum requirements of the regulations, the local health department will issue a permit for that site. If a site cannot be located that meets the minimum separation distances listed in Table 3.1 and § 3.4 F, the local health department shall identify a site that complies with the minimum separation distances to the greatest extent possible. However, the replacement well shall not be located closer to any source of contamination than the existing well it is replacing. If the replacement heat pump well or commercially dependent well must be placed closer to a sewage disposal system (but no closer than the existing well it is replacing) the well shall be sampled for fecal coliforms. If fecal coliforms are present in the sample and further investigation reveals that the groundwater is contaminated, the well shall be abandoned.

[2.16. Express Class IV construction permits.

If a Class IV well is proposed for property that does not have an onsite sewage disposal system, either active or inactive, an application may be made for an express Class IV construction permit. An application for an express Class IV construction permit shall be made on a form provided by the district or local health department and approved by the commissioner.

An application shall be deemed completed upon receipt by the district or local health department of a signed and dated application, together with the appropriate fee, containing the following information:

1. The property owner's name, address, telephone number, and personal signature. The owner's signature will acknowledge that the permit will be issued

without the benefit of a site visit by the local health department prior to the issuance of the construction permit; that the permit is being issued based upon the information provided on the accompanying site plan; that the property owner also acknowledges that if the well is found not to comply with the minimum separation distances or any other provision of the regulations, the well must be abandoned at the direction of the local or district health director; and that a variance will not be considered if the improper location of the well is a result of the failure by the owner, his agent, or the well driller to provide complete or accurate information on the site plan submitted with the application or to install the well in accordance with the permit.

2. Address and directions to the property;

3. The proposed use of the well;

4. The name, address, telephone number, Class B (minimum) license number, and signature of the well driller who is to construct the well;

5. A statement signed by the property owner (and not his agent) granting the department access to the site for the purposes of inspecting the property and the well during and after its installation until the well is approved by the department or any required abandonment is completed; and

6. A site plan showing the proposed well site, property boundaries, recorded easements, and accurate locations of actual or proposed sources of contamination (including, but not limited to those listed in Table 3.1) within 100 feet of the proposed well site, and at the option of the applicant a proposed well design. If the proposed well site is located on or at the base of sloping topography, the minimum separation distances shown on the site plan for any sources of contamination within a 60 degree arc slope of the proposed well site must be increased 25 feet for every 5.0% slope.]

[§ 2.17. Issuance of express Class IV construction permits and final inspection.

A. Issuance of express Class IV construction permit.

Upon receipt of a complete and approvable application, as defined in § 2.16, by a local or district health department with multiple sanitarians, the department shall exercise all due diligence to issue a permit either on the date of receipt or the following business day. If the local or district office has only one assigned sanitarian, the local or district department will exercise all due diligence to issue the permit as soon as possible. Failure by the department to issue the permit within the specified time does not authorize the construction of the well without a permit. If applicable, the applicant shall comply with § 2.24 prior to the issuance of the permit.

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B. Validity of express Class IV construction permits.

Express Class IV construction permits shall only be valid for a period of 30 days from the date of issuance.

C. Inspection.

If, upon inspection of the well, it is found that the well location does not comply with the minimum separation distances or any other provision of these regulations, no inspection statement shall be issued and the well shall be immediately abandoned by the property owner in accordance with § 3.11 upon notification and direction by the local or district health director. The commissioner shall not grant a variance if the improper location of the well is a result of the failure by the owner, his agent, or the well driller to provide complete or accurate information on the site plan submitted with the application or to install the well in accordance with the permit.

The construction of the well shall also comply with these regulations.]

§ 2-15. [§ 2-16. § 2.18.] Denial of a construction permit.

If it is determined that the proposed design is inadequate or that site, geological, hydrological, or other conditions exist that do not comply with these regulations or would preclude the safe and proper operation of a private well system, or that the installation of the well would create an actual or potential health hazard or nuisance, or the proposed design would adversely impact the ground water resource, the permit shall be denied and the owner shall be notified in writing, by certified mail, of the basis for the denial. The notification shall also state that the owner has the right to appeal the denial.

§ 2-16. [§ 2-17. § 2.19.] Revocation of construction permits [and or] inspection statements.

The commissioner may revoke a construction permit or inspection statement for any of the following reasons:

1. Failure to comply with the conditions of the permit;
2. Violation of any of these regulations for which no variance has been issued;
3. Facts become known which reveal that a potential health hazard would be created or that the ground water resources may be adversely affected by allowing the proposed well to be installed or completed.

§ 2-17. [§ 2-18. § 2.20.] Voidance of construction permits.

Null and void. All well construction permits are null and void when (i) conditions such as house location, sewage system location, sewerage system location, topography, drainage ways, or other site conditions are changed from those shown on the application, (ii) conditions are changed from those shown on the construction permit, or (iii) more

than 54 months elapse from the date the permit was issued. Reapplication for the purposes of having an expired permit reissued shall be the responsibility of the owner, and such reapplication shall be handled as an initial application and comply fully with § 2.13.

§ 2-18. [§ 2-19. § 2.21.] Statement required upon completion of construction.

Upon completion of the construction, alteration, rehabilitation [, abandonment] or extension of a private well, the owner or agent shall submit to the district or local health department a statement, signed by the contractor, upon the form set out in Appendix IV, that the well was installed [and ,] constructed [, or abandoned] in accordance with the permit, and further that the well complies with all applicable state and local regulations, ordinances and laws.

§ 2-19. [§ 2-20. § 2.22.] Inspection and correction.

No well shall be placed in operation, except for the purposes of testing the mechanical soundness of the system, until inspected by the district or local health department, corrections made if necessary, and the owner has been issued an inspection statement by the district or local health department.

§ 2-20. [§ 2-21. § 2.23.] Issuance of the inspection statement.

Upon satisfactory completion of the requirements of §§ 2-18, [2-19, 2-20, 2.21, 2.22,] 3.3, 3.9 and 3.10, the commissioner shall issue an inspection statement to the owner. The issuance of an inspection statement does not denote or imply any warranty or guarantee by the department that the private well will function for any specified period of time. It shall be the responsibility of the owner or any subsequent owner to maintain, repair, replace, or to comply with the requirements to abandon any private well.

§ [2-22. 2.24.] Requirement for easement.

Whenever a private well subject to these regulations is proposed to be installed on property other than the owner's, an easement in perpetuity shall be recorded with the clerk of the circuit court prior to issuance of a construction permit. The easement shall be of sufficient area to permit access, construction, placement of the water line, and maintenance of the well.

PART III. DESIGN AND CONSTRUCTION CRITERIA.

Article 1. General Requirements.

§ 3.1. General.

±. These regulations do not apply to private wells

constructed, altered, rehabilitated or extended prior to the effective date of these regulations unless the well construction is modified or expanded after the effective date of these regulations.

2. The class of well to be constructed shall be determined by the local or district health department or the division.

§ 3.2. Classes of water wells.

The following classes of private wells are established for purposes of these regulations. These classes are in addition to those established in the current Commonwealth of Virginia Waterworks Regulations and are intended for use for private well systems:

1. Class III - Private wells constructed to be used as a source of drinking water. There are three subclasses:

a. Class IIIA - Drilled wells in which the annular space around the casing is grouted to a minimum depth of 20 feet.

(1) The well shall be drilled and cased to a depth of at least 100 feet.

(2) The cased drill hole shall pass through at least 50 consecutive feet of ~~unconsolidated~~ *formation collapsing material* such as caving sand, gravel or other material that will collapse against the casing.

b. Class IIIB - Drilled wells in which the casing is installed to a minimum depth of 50 feet and the annular space around the casing is grouted to at least 50 feet.

c. Class IIIC - Drilled, bored, driven or jetted wells other than Class IIIA and Class IIIB.

2. Class IV - Private wells constructed for any purpose other than use as a source of drinking water.

§ 3.3. Water quality and quantity.

A. Class IV wells exempt.

The water quality requirements contained in this section apply only to Class III private wells. Class IV private wells (wells not constructed as a source of drinking water) are not subject to any quality requirements. These regulations contain no well yield requirements. See Appendix I for suggested minimum well yields for residential supplies.

B. Sample tap.

A sample tap shall be provided at or near the water entry point into the system so that samples may be taken directly from the source; this requirement may be met by utilizing the first tap on a line near where the plumbing enters the house (may be a hose bib), provided the tap

precedes any water treatment devices.

C. Disinfection.

The entire water system including the well shall be disinfected prior to use (see § 3.9 and Appendix II).

D. Sampling.

After operating the well to remove any remaining disinfectant, a sample of the water from the well shall be collected for bacteriological examination. The sample may be collected by the owner, well driller, or other person in accordance with procedures established by the department and provided the sample is submitted to a private laboratory certified by the Department of General Services, Division of Consolidated Laboratory Services, for analysis.

E. Test interpretation.

A Class III private well shall be considered satisfactory if the water sample(s) test(s) negative for coliform organisms as described in subdivision 1 or 2 below. Sources with positive counts shall be tested as described in subdivision 3 below to determine if the water supply is amenable to continuous disinfection (chlorination). *Samples that exhibit confluent growth shall be considered inconclusive and another sample [shall be] collected.*

1. Where a private well has no unsatisfactory water sample within the previous 12 months, one water sample which tests negative for coliform bacteria shall be considered satisfactory for coliform organisms.

2. Where a private well has had one or more positive water samples within the past 12 months for coliform bacteria, at least two consecutive samples must be collected and found negative for coliform organisms before the supply may be considered satisfactory for coliform organisms. The samples must be collected at least 24 hours apart and the well may not be disinfected between samples.

3. When a private well does not test satisfactory for coliform organisms continuous disinfection may be recommended to the homeowner if the water supply is found to be suitable for continuous disinfection. A minimum of 10 samples shall be collected and tested for total coliform using an MPN methodology. The geometric mean of the samples shall be calculated and if the result is less than 100 organisms per 100 ml, the supply shall be considered satisfactory for continuous disinfection.

F. Water treatment.

If tests indicate that the water is unsatisfactory and no other approvable source is available, adequate methods of water treatment shall be applied and demonstrated to be effective pursuant to § 3.3 E 3 prior to the issuance of an

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inspection statement. The district or local health department shall be consulted when treatment is necessary.

§ 3.4. Well location.

A. Sanitary survey.

Any obvious source of toxic or dangerous substances within 200 feet of the proposed private well shall be investigated as part of the sanitary survey by the district or local health department. Sources of contamination may include, but are not limited to, items listed in Table 3.1, abandoned wells, pesticide treated soils, underground storage tanks, and other sources of physical, chemical or biological contamination. If the source of contamination could affect the well adversely, and preventive measures are not available to protect the ground water, the well shall be prohibited. The minimum separation distance between a private well and structures, topographic features, or sources of pollution shall comply with the minimum distances shown in Table 3.1. Where the minimum separation distances for a Class IV well cannot be met, a permit may be issued under these regulations for a well meeting all of the criteria in §§ 3.6 and 3.7 and the separation distance requirements for either a Class IIIA or IIIB well, without deviation, and such Class IV well shall not be required to meet the water quality requirements of § 3.3.

Table 3.1
Distances (in feet) Between a Well
and a Structure or Topographic Feature

Structure or Topographic Feature	Class III		A or B
	C	or IV	
Property line	±0	±0	
Building Foundation	10	10	
Building Foundation [(Termite Treated)	±00	50	50
Utility Line	±0	±0	
Sewer line	50	50 ²	
House Sewer Line	50 ²	50 ²	
Sewer Main	50 ³	50 ³	
[Including force mains]			
Sewerage System	50	50	
Pretreatment System (e.g. Septic Tank [or Aerobic Unit [, etc.])	50	50	
Sewage System (barnyard, hog lot or similar contaminant source)	±00	50	
Sewage [Disposal] other contaminant source (e.g. [, drainfield] storage tank, barnyard, hog lot, etc.)	System or	100	50
Cemetery	100	50	
Sewage Dump Station	100	50	

¹ See § 3.4 D F.

² Private wells shall not be constructed within 50 feet of a sewer except as provided below. Where special construction and pipe materials are used in a sewer to provide adequate protection, a Class H I A or B well may be located as close as 10 feet to the sewer line. Special construction constitutes sewer pipe meeting AWWA specifications; pressure tested (10 feet of water) in place without leakage prior to backfilling. However, in no case shall a private well be placed within 10 feet of a sewer.

³ Private wells shall not be constructed within 50 feet of a house sewer line except as provided below. Where special construction and pipe materials are used in a house sewer line to provide adequate protection, and the well is cased and grouted to the water bearing formation, all classes of private wells may be placed as close as 10 feet to the house sewer line. Special construction for house sewer lines constitutes cast iron pipe with water-tight caulked joints or mechanical joints using neoprene gaskets, or solvent welded Schedule 40 or better polyvinyl chloride (PVC) pipe. It is the responsibility of the applicant to provide documentation from the contractor that such construction and pipe materials have been installed. In no case shall a private well be placed within 10 feet of a house sewer line.

⁴ Private wells shall not be constructed within 50 feet of a sewer main except as provided below. Where special construction and pipe materials are used in a sewer main to provide adequate protection, and the well is cased and grouted to the water bearing formation, Class III wells may be placed as close as 35 feet to a sewer main and Class IV wells as close as 10 feet. Special construction for sewer mains constitutes ductile iron pipe with water-tight joints, solvent welded Schedule 40 or better polyvinyl chloride (PVC) pipe (SDR - 35 plastic PVC with neoprene gaskets). It is the responsibility of the applicant to provide documentation from the local building official or sanitary district that such construction and pipe materials have been installed. In no case shall a Class III well be placed within 35 feet of a sewer main. Likewise, in no case shall a Class IV well be placed within 10 feet of a sewer main.

B. Downslope siting of wells from potential sources of pollution.

Special precaution shall be taken when locating a well within a 60 degree arc directly downslope from any part of any existing or intended onsite sewage disposal system or other known source of pollution, including, but not limited to, buildings subject to termite or vermin treatment, or used to store polluting substances or storage tanks or storage areas for petroleum products or other deleterious substances. The minimum separation distance shall be: (i) increased by 25 feet for every 5.0% of slope; or (ii) an increase shall be made to the minimum depth of grout and casing in the amount of five feet for every 5.0% of slope.

C. Sites in swampy areas, low areas, or areas subject to flooding.

No private well covered by these regulations shall be located in areas subject to the collection of pollutants such as swampy areas, low areas, or areas subject to flooding. Wells located in flood plains shall be adequately constructed so as to preclude the entrance of surface water during flood conditions. At a minimum, such construction will include extending the well terminus 18 inches above the annual flood level. Other requirements may be made as determined on a case by case basis by the division.

D. Property lines.

There is no minimum separation distance between a private well and a property line established by these regulations. The owner is responsible for establishing a separation distance from property lines such that the construction and location of the well will be on the owner's property and comply with any local ordinances.

E. Utility lines.

There is no minimum separation distance between a private well and utility lines (electric, gas, water, cable, etc.). The minimum separation distance may, however, be established by the individual utility company or local ordinance.

F. Pesticide and termite treatment.

No Class ~~III C or III~~ private well shall be placed closer than 50 feet from a building foundation that has been chemically treated with any termiticide or other pesticide. No Class IV private well shall be placed closer than ~~100~~ 50 feet to a building foundation that has been chemically treated with any termiticide or other pesticide except as provided below. Further, no termiticides or other pesticides shall be applied within five feet of ~~the~~ an open water supply trench. ~~A Class III C or Class IV private well may be placed as close as 50 feet to a chemically treated foundation if special precautions are or have been taken. Special precautions include the application of pesticides by pouring or spraying on the foundation excavation prior to construction [building foundation area ; or the removal and treatment of soil at a site 50 feet or more from the well and then backfilling with the treated soil.] A [Class IIIA, Class IIIB, Class IIIC, or] Class IV well may be placed as close as [25 10] feet to a chemically treated foundation if the following criteria are met:~~

1. The aquifer from which the water is withdrawn must be a confined aquifer (i.e., there must be an impermeable stratum overlying the water bearing formation).

2. The well must be cased and grouted [a minimum of 20 feet or] into the [first] confining layer [immediately above between the ground surface and] the water bearing formation [from which water is withdrawn, whichever is greater] . When [water bearing formations are the first confining layer is] encountered at [depths a depth] greater than 20 feet, the well shall be cased and grouted to the [first] confining layer [immediately above between the ground surface and] the water bearing formation from which water is withdrawn.

3. The material overlying the confined aquifer must be collapsing material.

G. Exception for closed-loop ground-source heat pump

wells.

Closed-loop ground-source heat pump wells, depending upon construction, may not have to comply with the minimum separation distances for Class IV wells listed in Table 3.1. If the well is grouted 20 feet, the minimum separation distances must comply with those listed for Class IV wells. If the well is grouted a minimum of 50 feet, the separation distances shall be those listed for Class IIIA or IIIB wells. If the well is grouted the entire depth of the well, the well does not have to comply with the minimum separation distances contained in Table 3.1.

§ 3.5. Site protection.

A. No objects, articles, or materials of any kind which are not essential to the operation of the well shall be placed or stored in a well house, on the well head or well pump or water treatment system, or within close proximity to them.

B. The minimum distance between any well subject to these regulations and any property line shall be 10 feet.

C. B. Fencing of an area around the well, or the placement of other barriers or restrictions, may be required as a condition of the permit under certain circumstances, such as to prohibit livestock access to the well head or to prohibit vehicles from damaging or polluting the area around the well head.

D. C. The area around the well shall be graded to divert surface water away from the well.

§ 3.6. Materials.

A. General.

All materials used in private wells shall have long-term resistance to corrosion and sufficient strength to withstand hydraulic, lateral and bearing loads.

B. Casing.

Materials used for casing shall be watertight and shall consist of wrought iron, concrete tile, clay tile, steel, stainless steel or plastic, all designed for water well use or other suitable materials as determined by the division [on a case by case basis]. [The division shall maintain a list of approved casing materials.]

1. Driven casings shall consist of ductile iron, steel or stainless steel and shall be equipped with a suitable drive boot.

2. Casings used for Class IIIA or IIIB wells shall be steel, stainless steel or plastic.

C. Screens.

Where utilized, screens shall be constructed of stainless

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steel, plastic or other suitable materials as determined by the division [~~on a case by case basis~~]. Screens shall be constructed of materials which will not be damaged by any chemical action of the ground water or future cleaning operations. Additionally, screens shall be constructed of materials which will not degrade ground water quality.

D. Joints.

Joints shall be watertight and mechanically sound. Welded joints shall have smooth interior surfaces and shall be welded in accordance with acceptable welding practice.

E. Gravel.

Gravel utilized for gravel packed wells shall be uniformly graded, cleaned, washed, disinfected and of a suitable size.

§ 3.7. Construction; general.

A. Casing.

1. Class IIIA wells shall be cased to a depth of at least 100 feet.

2. Class IIIB wells shall be cased to a depth of at least 50 feet.

3. Except as provided in subdivisions a through ~~d~~ e below, all Class IIIC and IV wells shall be cased to a minimum depth of 20 feet or terminated not less than one foot in bedrock when bedrock is encountered at a depth less than 20 feet.

a. When in ~~unconsolidated~~ *collapsing* material, the casing shall terminate in the aquifer but in no instance be less than 20 feet.

b. Where an aquifer is encountered at less than 20 feet, Class IV wells may be cased to within one foot of the water bearing strata. In the instance of Class IV wells the intent of these regulations is to protect ground water quality, and not to ensure a potable water supply.

[*Exception: Class IV wells placed closer than 50 feet from a building foundation treated with a chemical termiticide or other pesticide shall comply with the minimum casing depth requirements of § 3.4 F 2.*]

c. Alternate casing depths may be accepted for bored wells when the only aquifer lies between 11 and 20 feet provided the casing is placed within one foot of the aquifer and must not be less than 10 feet in depth from the ground surface.

d. Class III C driven wells shall be cased to the water bearing strata; however, in no case less than

10 feet. No minimum casing requirements apply to Class IV driven wells except that in order to protect ground water they shall be capable of meeting the minimum grouting requirements as described in § 3.7 C 4 5 e.

e. Closed-loop ground-source heat pump wells do not have to be cased.

4. All private well casings shall be extended at least 12 inches above ground or 12 inches above a concrete floor in well house with a gravity flow drain. *The following wells are exempted from this requirement [; however, their location shall be permanently marked for easy location in the future:]*

a. Drilled shallow well suction pump systems that will not operate unless a vacuum is maintained. The casings for these wells are also the suction lines through which water is drawn.

b. Deep well ejector pump systems that utilize a casing adaptor [inside the well casing] and must maintain a vacuum to operate.

c. Closed-loop ground-source heat pump wells.

d. Heat pump return wells that are completely sealed. [The location of these wells must be permanently marked for easy location in the future.]

5. All steel casings shall meet or exceed the material specifications found in Appendix III.

6. No plastic well casing shall be installed which will exceed 80% of its RHCP (resistance to hydraulic collapse pressure). When experience has shown, in the division's opinion, that the prevailing geologic conditions are subject to collapse or shifting, or where heavy clay or unstable backfill materials occur, plastic well casings may not exceed 50% of the RHCP rating. It shall be the responsibility of the well driller to submit calculations to the division demonstrating that individual well casings do not exceed these ratings.

B. Screens.

When used for the prevention of entry of foreign materials, screens shall be free of rough edges, irregularities, or other defects. A positive watertight seal between the screen and the casing shall be provided when appropriate.

C. Grouting.

1. General. All private wells shall be grouted. A neat cement grout is preferable over any other grout mixture. It is preferred that no openings are made in the side of the well casing.

2. Purpose. The annular space between the casing and well bore is one of the principal avenues through which undesirable water and contaminants may gain access to a well. *The goal of grouting a well is to preclude the entrance of undesirable water and contaminants.* Therefore, the annular space shall be filled with a neat cement grout, [or] a mixture of bentonite and neat cement [or bentonite clay grout specifically approved by the manufacturer for use as a grouting material].

[3. Specifications. Neat cement grout shall consist of cement and water with not more than six gallons of water per sack (94 pounds) of cement. Bentonite clay may be used in conjunction with neat Portland cement to form a grouting mixture. The bentonite used must be specifically recommended by the manufacturer as being suitable for use as a well grout material and cannot exceed 6.0% by weight of the mixture. Exception: (i) When exceptional conditions require the use of a less fluid grout, to bridge voids, a mixture of cement, sand and water in the proportion of not more than two parts by weight of sand to one part of cement with not more than six gallons of clean water per bag of cement may be used if approved by the district or local health department, or (ii) for bored wells only, a concrete (1-1-2 mix with all aggregates passing a 1/2 inch sieve) grout with not more than six gallons of clean water per bag of cement may be used provided a minimum three-inch annular space is available and its use approved by the district or local health department.

3. Specifications. The grouting material used shall meet the appropriate specification listed below:

a. Neat cement grout shall consist of cement and water with not more than six gallons of water per bag (94 pounds) of cement.

b. Bentonite clay may be used in conjunction with neat Portland cement to form a grouting mixture. The bentonite used must be specifically recommended by the manufacturer as being suitable for use as a well grout material and cannot exceed 6.0% by weight of the mixture.

c. Bentonite clay used for grouting shall be sodium bentonite with a minimum of 20% clay solids by weight of water. The bentonite clay shall be specifically recommended by the manufacturer for use as a grouting material.

Exception: (i) When exceptional conditions require the use of a less fluid grout, to bridge voids, a mixture of cement, sand and water in the proportion of not more than two parts by weight of sand to one part of cement with not more than six gallons of clean water per bag of cement may be used if approved by the district or local health department, or (ii) for bored wells only, a concrete (1-1-2 mix with all

aggregates passing a 1/2-inch sieve) grout with not more than six gallons of clean water per bag of cement may be used provided a minimum three-inch annular space is available and its use approved by the district or local health department.]

In cases where an open borehole has been drilled below the depth to which the casing is to be grouted, the lower part of the hole must be backfilled, or a packer must be set in the hole, to retain the slurry at the desired depth. Backfilling the hole with gravel and capping with sand is an acceptable practice. Material ordinarily sold as plaster or mortar sand is usually satisfactory; more than half the sand should be of grain sizes between 0.012 inches and 0.024 inches.

4. Other materials. Other grouting materials may be approved by the division on a case by case basis. Review and approval shall be based on whether the proposed material can consistently be expected to meet the intent of grouting expressed in § 3.7 C 2. The proposed material must be an industry acceptable material used for the purpose of grouting water wells.

4- 5. Depth.

a. All Class IIIA wells shall be grouted to a minimum depth of 20 feet.

b. All Class IIIB wells shall be grouted to a minimum depth of 50 feet.

c. All Class IIIC and Class IV wells shall be grouted to a minimum depth of 20 feet. When the casing depth is equal to or greater than 20 feet. When the casing depth is less than 20 feet, the casing shall be grouted in accordance with § 3.7 C above, from the lower terminus of the casing to the surface.

[Exception: Class IV wells placed closer than 50 feet from a building foundation treated with a chemical termiticide or other pesticide shall comply with the minimum grouting depth requirements of § 3.4 F 2.]

d. Alternate grouting depths may be accepted for bored wells when the only aquifer suitable for a private well lies between 11 and 20 feet provided the grouting shall terminate at least one foot above the aquifer but must not be less than 10 feet in depth from the ground surface.

e. Driven wells shall be grouted to a minimum depth of five feet by excavating an oversize hole at least four inches in diameter larger than the casing and pouring an approved grout mixture into the annular space.

5. 6. Installation. Grout shall be installed by means of a grout pump or tremie pipe from the bottom of the annular space upward in one operation until the

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annular space is filled, whenever the grouting depth exceeds 20 feet. Pouring of grout is acceptable for [~~both~~] drilled [~~and bored~~] wells whenever grouting depth does not exceed 20 feet. [*Pouring of grout is acceptable for bored wells whenever the grouting depth does not exceed 30 feet provided there is a minimum of a 3-inch annular space.*] Grouting shall be brought to the ground surface and flared to provide a one foot radius around the casing at least six inches thick. [*However, whenever pitless adapters are used, the grout shall terminate at the base of the pitless adapter.*] When an outer casing is necessary to construct a new well, where possible, the outer casing shall be pulled simultaneously with the grouting operation.

6. 7. Annular space. The clear annular space around the outside of the casing and the well bore shall be at least 1.5 inches on all sides except for bored wells which shall have at least a 3-inch annular space.

D. Additional casing and grouting.

When a well is to be constructed within [~~200~~ 100] feet of a subsurface sewage disposal system, which has been or is proposed to be installed at a depth greater than five feet below the ground surface, the casing and grouting of the water well shall be increased to maintain at least a 15-foot vertical separation between the trench bottom and the lower terminus of the casing and grouting.

E. Well head.

1. General. No open wells or well heads or unprotected openings into the interior of the well shall be permitted. Prior to the driller leaving the well construction site, the owner shall have the driller protect the bore hole by installing a cover adequate to prevent accidental contamination.

2. Mechanical well seals. Mechanical well seals (either sanitary well seals or pitless adapters) shall be used on all wells and shall be water and air tight except as provided in § 3.7 F 4.

3. Other. Wells greater than eight inches in diameter shall be provided with a watertight overlapping (shoebox) type cover, constructed of reinforced concrete or steel.

F. Appurtenances passing through casing.

1. General. All openings through well casings shall be provided with a positive water stop.

2. Pitless well adapters. Pitless well adapters shall be subject to approval by the division. All pitless adapters shall be installed according to the manufacturers recommendations.

3. Sanitary well seals. Sanitary well seals shall be

subject to approval by the division. All sanitary well seals shall be installed according to the manufacturers recommendations.

4. Venting. Venting, where necessary as determined by the district health department, shall be provided in such a manner as to allow for the passage of air, but not water, insects, or foreign materials, into the well.

§ 3.8. Observation, monitoring, and remediation wells.

A. Except as provided in §§ 3.8 B and 3.8 C below, observation and monitoring wells are exempted from these regulations.

B. Observation or monitoring wells shall be constructed in accordance with the requirements for private wells if they are to remain in service after the completion of the ground water study.

C. Observation or monitoring wells shall be properly abandoned in accordance with § 3.11 within 90 days of cessation of use.

§ 3.9. Disinfection.

All Class III private wells shall be disinfected before placing the well(s) in service. Disinfection shall be accomplished by maintaining a 100 mg/l solution of chlorine in the well for 24 hours utilizing the dosage rates set forth in Appendix II.

§ 3.10. Information to be reported.

A copy of a Uniform Water Well Completion Report (see Appendix IV) shall be provided to the district or local health department within 30 days of the completion of the well or completion of alterations thereto.

§ 3.11. Well abandonment.

A. Well abandonment is governed jointly by the State Water Control Board and the Department of Health pursuant to § 62.1-44.92(6) of the Ground Water Act of 1973. In addition, the abandonment of any private well governed by these regulations, or any private well abandoned as a condition of a permit issued under these regulations, shall be administered by the Department of Health in conformance with this section.

B. A temporarily abandoned well shall be sealed with a water-tight cap or well head seal. Such a well shall be maintained so that it will not be a source or channel for contamination to ground water during temporary abandonment.

C. Permanent abandonment [*with the intent to place sources of contamination closer than the minimum separation distance listed in Table 3-1*] .

The object of proper permanent abandonment is to

prevent contamination from reaching ground water resources via the well. [*If the intent is to abandon the well so that sources of contamination can be placed closer than the minimum separation distances contained in Table 3-1, the well shall be abandoned in the following manner: A permanently abandoned well shall be abandoned in the following manner:*]

1. All casing material may be salvaged.
2. Before the well is plugged, it shall be checked from land surface to the entire depth of the well to ascertain freedom from obstructions that may interfere with plugging (sealing) operations.
3. The well shall be thoroughly chlorinated prior to plugging (sealing).
4. Bored wells [*and uncased wells*] shall be [*completely filled backfilled*] with [*clean fill to the water level. A two-foot-thick bentonite plug shall be placed immediately above the water level. Clean fill shall be placed on top of the bentonite plug and brought up to at least five feet from the ground surface. The top five feet of the well casing, if present, shall be removed from the bore hole. In an open annular space is present around the well casing, the annular space shall be filled with grout to the maximum depth possible, but less than or equal to 20 feet. A one-foot-thick*] cement or bentonite grout [*plug that completely fills the bore void space shall be placed a minimum of five feet from the ground surface. The remaining space shall be filled with clean fill which is mounded a minimum of one foot above the surrounding ground surface. Bored wells or uncased wells abandoned in this manner shall be treated as wells with respect to determining the minimum separation distance to sources of contamination listed in Table 3.1. The location of these wells shall be permanently marked for future location*].
5. Wells constructed in *unconsolidated formations collapsing material* shall be completely filled with [*cement*] grout or clay slurry by introduction through a pipe initially extending to the bottom of the well. Such pipe shall be raised, but remain submerged in grout, as the well is filled.
6. Wells constructed in consolidated rock formations or which penetrate zones of consolidated rock may be filled with sand or gravel opposite the zones of consolidated rock. The top of the sand or gravel fill shall be at least five feet below the top of the consolidated rock and at least 20 feet below land surface. The remainder of the well shall be filled with [*cement*] grout or clay slurry.
7. Other abandonment procedures may be approved by the division on a case by case basis.

8. Test and exploration wells shall be abandoned in such a manner to prevent the well from being a channel for the vertical movement of water or a source of contamination to ground water.

[*9. When bored wells are bored and a water source is not found, and the casing has not been placed in the bore hole, the bore hole may be abandoned by backfilling with the bore spoils to at least five feet below the ground surface. A two-foot-thick bentonite grout plug shall be placed at a minimum of five feet from the ground surface. The remainder of the bore hole shall be filled with the bore spoils.*]

[*D. Permanent abandonment with no intent to place sources of contamination closer than the minimum separation distance listed in Table 3-1.*

If the intent is to abandon the well to seal the opening but there is no intent to place sources of contamination closer than the minimum separation distances contained in Table 3-1, the well shall be abandoned in the following manner:

1. All casing material may be salvaged.
2. Before the well is plugged, it shall be checked from land surface to the entire depth of the well to ascertain freedom from obstructions that may interfere with plugging (sealing) operations.
3. The well shall be thoroughly chlorinated prior to plugging (sealing).
4. Bored wells shall be filled with clean gravel or clean drilling spoil approved by the department to within 10 feet of the ground surface. The top 10 feet shall be filled with cement or bentonite grout. The ground surface around the well will be flared with cement or grout so that the apron extends a minimum of one foot beyond the outer edge of the original bore hole.
5. Wells constructed in *collapsing material* shall be completely filled with cement grout or clay slurry by introduction through a pipe initially extending to the bottom of the well. Such pipe shall be raised, but remain submerged in grout, as the well is filled.
6. Wells constructed in *noncollapsing rock formations or which penetrate zones of noncollapsing rock* may be filled with sand or gravel opposite the zones of *noncollapsing rock*. The type of the sand or gravel fill shall be at least 5 feet below the top of the *noncollapsing rock* and at least 10 feet below land surface. The remainder of the well shall be filled with cement grout or clay slurry.
7. Other abandonment procedures may be approved by the division on a case by case basis.

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8. Test and exploration wells shall be abandoned in such a manner as to prevent the well from being a channel for the vertical movement of water or a source of contamination of ground water.]

Appendix I.

Recommended Well Yields for Residential Use Wells

All private wells should be capable of supplying water in adequate quantity for the intended usage. Failure to provide adequate capacity may cause intermittent flows and negative pressures which may cause contamination of the system through cross connections or other system deficiencies. All Class III wells should have a capacity to produce 150 gallons per bedroom per day and be capable of delivering a sustained flow of five gallons per minute per connection for 10 minutes. The system should be capable of providing at least 500 gallons per hour for at least one hour if lawns or other residential areas are to be irrigated. In general, residential use wells with yields less than 3 gallons per minute require additional storage to provide uninterrupted service during peak water use times.

Appendix II.

Chlorination Dosage Rates

Casing Diameter Inches Meas.)	Volume per 100 Feet in (Gallons)	70% Sodium Hypochlorite (Oz. Dry Wt.)	5% Sodium Hypochlorite (Liquid)
2	16	0.5	4 oz.
4	65	2	18 oz.
6	147	4	40 oz.
8	261	6	4.25 pts.
10	408	8	7 pts.
12	588	12	10 pts.
16	1045	20	2 gal.
20	1632	32	3.3 gal.
24	2350	48	4.67 gal.
30	3672	70	7.3 gal.
36	5288	101	10.5 gal.

Appendix III.

Well Casing Specifications Steel Casings

Nom. Size (inches)	Weight (lbs./ft.)	Thickness (inches)	External Diameter	Internal Diameter
4	10.79	.237	.188 4.5	4.026
6	13.00	.188	8.625	6.25
8	24.70	.277	8.625	8.071
10	31.20	.279	10.75	10.192

[Appendix IV.

Uniform Well Completion Report]

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COMMONWEALTH OF VIRGINIA
 DEPARTMENT OF ENVIRONMENTAL QUALITY
 UNIFORM WATER WELL COMPLETION REPORT

Owner: _____
 Address: _____
 Phone: _____
 Location: _____

Tax Map ID: _____
 VWR Permit: _____
 VWS Permit: _____
 VWS ID: _____
 County: _____

* Well Data *

General Information

Drilling Method: _____
 Depth to Bedrock: _____
 Static Water Level: _____ (GPM)
 Well Disinfected (Y or N): _____
 Disinfectant Used: _____

Date Completed: _____
 Yield: _____
 Stabilized Water Level: _____
 Disinfectant Used: _____

Total Depth of Well: _____
 Length of Test: _____
 Natural Flow (Rate): _____
 Ambient Use: _____

Casing

From _____ To _____
 Size _____ Material _____
 Weight/Schedule _____

From _____ To _____
 Material _____
 Weight/Schedule _____

Gravel Pack

From _____ To _____
 Material _____
 Weight/Schedule _____

Grout

From _____ To _____
 Bore Hole Size _____
 Type _____
 Method _____

Water Zones or Screened Intervals

From _____ To _____
 Mesh Size _____
 From _____ To _____
 Mesh Size _____
 From _____ To _____
 Mesh Size _____

* Use Data*

Private Well: Domestic _____ Community _____
 Agricultural _____ Industrial _____ Monitoring _____
 Public Well: _____

Abandonment Information

Reason for Use Wells: _____
 Casing Removed: Y or N: _____
 If Y, Depth to which casing was removed: _____
 Depth and Type of Fill: _____
 Screened Intervals: From _____ To _____
 Method of Permanently Marking Location: _____

Wells other than Bored Wells
 Casing Removed: Y or N: _____
 If Y, Depth to which casing was removed: _____
 Depth and Type of Fill: _____
 Screened Intervals: From _____ To _____
 Method of Permanently Marking Location: _____

* Drillers Log *

Description of Formation or Sediment

Depth

Remarks

(Use additional sheets if necessary)

I certify that the information contained here is true and that this well was installed and constructed in accordance with the permit and further that the well complies with all applicable state and local regulations, ordinances and laws.

Name _____
 Address _____
 Phone _____
 Drillers Signature _____
 Date _____ Representing _____
 Virginia Contractors License Number _____

Reporting Forms Used in Administering the Regulations

NOTE: The application will be revised to create a new application for Express Class IV well construction permits § 2.16 and 2.17 of the regulations). This form shall be filed within 30 days.

Commonwealth of Virginia
Application for a Sewage Disposal and/or Water Supply Permit

Health Department ID _____

To Be Completed By The Applicant

Type of sewage system: New Repair Expanded Conditional
 FHA/VA yes no Case No. _____

Owner _____ Address _____ Phone _____

Agent _____ Address _____ Phone _____

Directions of Property _____

Subdivision _____ Section _____ Block _____ Lot _____

Other Property Identification _____

Dimension/size of Lot/Property _____

Other Application Information

I. Building/facility New Existing
 Intermittent Use Yes No If yes, describe _____

II. Residential Use Yes No
 Termite Treatment Yes No
 Single Family Multi-family
 (Number of Bedrooms) (Number of Units)

Basement Yes No
 Fixtures in Basement Yes No

III. Commercial Use Yes No Describe: _____

Commercial/Wastewater Yes No Number of Patrons _____
 Number of Employees _____

If yes, give volumes and describe _____

IV. Water Supply: Public New Existing
 Private New Existing
 Describe: _____

V. Proposed Sewage Disposal Method:
 Onsite Sewage Disposal System: Septic Tank Drainfield LPD Mound Other
 Public Sewerage System

Attach a site plan (rough sketch) showing dimensions of property, proposed and/or existing structures and driveways, underground utilities, adjacent soil absorption system, bodies of water, drainage ways, and wells and springs within 200 feet radius of the center of the proposed well or drainfield. Distances may be paced or estimated.

The property lines and building location are clearly marked and the property is sufficiently visible to see the topography. I give permission to the Department to enter onto the property described for the purpose of processing this application.

Signature of Owner/Agent _____

Water Supply and/or Sewage Disposal System Construction Permit

Commonwealth of Virginia Health Department
 Department of Health Identification Number _____
 Health Department Map Reference _____

General Information

Water Supply System: New Repair Public FHA VA Case No. _____
 Sewage Disposal System: New Repair Expanded Conditional Public
 Based on the application for a sewage disposal system construction permit filed in accordance with Section 2.13 E. of the Sewage Handling and Disposal Regulations and/or Section 2.13 of the Private Well Regulations a construction permit is hereby issued to:
 Owner _____ Telephone _____
 Address _____ For a Type _____ Sewage Disposal System or Well to
 be constructed on/at _____
 Subdivision _____ Section/Block _____ Lot _____ Actual or estimated water use _____

DESIGN	NOTE: SEWAGE DISPOSAL SYSTEM INSPECTION RESULTS
Water supply, existing: (describe) _____ To be installed: class _____ cased _____ grouted _____	Water supply location: Satisfactory yes <input type="checkbox"/> no <input type="checkbox"/> comments _____ Completion Report G. W. 2 Received: yes <input type="checkbox"/> no <input type="checkbox"/> not applicable <input type="checkbox"/>
Building sewer: _____ I.D. PVC Schedule 40, or equivalent. Slope 1.25" per 10' (minimum). <input type="checkbox"/> Other _____	Building sewer: yes <input type="checkbox"/> no <input type="checkbox"/> comments _____ Satisfactory
Septic tank: Capacity _____ gals. (minimum). <input type="checkbox"/> Other _____	Pretreatment unit: yes <input type="checkbox"/> no <input type="checkbox"/> comments _____ Satisfactory
Inlet-outlet structure: PVC Schedule 40, 4" tees or equivalent. <input type="checkbox"/> Other _____	Inlet-outlet structure: yes <input type="checkbox"/> no <input type="checkbox"/> comments _____ Satisfactory
Pump and pump station: No <input type="checkbox"/> Yes <input type="checkbox"/> describe and show design. _____ If yes: _____	Pump & pump station: yes <input type="checkbox"/> no <input type="checkbox"/> comments _____ Satisfactory
Gravity mains: 3" or larger I.D., minimum 6" fall per 100', 1500 lb. crush strength or equivalent. <input type="checkbox"/> Other _____	Conveyance method: yes <input type="checkbox"/> no <input type="checkbox"/> comments _____ Satisfactory
Distribution box: Precast concrete with _____ ports. <input type="checkbox"/> Other _____	Distribution box: yes <input type="checkbox"/> no <input type="checkbox"/> comments _____ Satisfactory
Header lines: Material: 4" I.D. 1500 lb. crush strength plastic or equivalent from distribution box to 2' into absorption trench. Slope 2" minimum. <input type="checkbox"/> Other _____	Header lines: yes <input type="checkbox"/> no <input type="checkbox"/> comments _____ Satisfactory
Percolation lines: Gravity 4" plastic 1000 lb. per foot bearing load or equivalent, slope 2" 4" (min. max.) per 100'. <input type="checkbox"/> Other _____	Percolation lines: yes <input type="checkbox"/> no <input type="checkbox"/> comments _____ Satisfactory
Absorption trenches: Square ft. required _____; depth from ground surface to bottom of trench _____; aggregate size _____ Trench bottom slope _____; trench width _____ center to center spacing _____; trench width _____ Depth of aggregate _____ Trench length _____; Number of trenches _____	Absorption trenches: yes <input type="checkbox"/> no <input type="checkbox"/> comments _____ Satisfactory

Date _____ Inspected and approved by: _____
 Sanitarian

CNS 202A

Virginia Register of Regulations
1754

Health Department
Identification Number _____

Schematic drawing of sewage disposal and/or water supply system and topographic features.

Show the lot lines of the building site, sketch of property showing any topographic features which may impact on the design of the well or sewage disposal system, including existing and/or proposed structures and sewage disposal systems and wells within 200 feet. The schematic drawing of the well site or area and/or sewage disposal system shall show sewer lines, pretreatment unit, pump station, conveyance system, and subsurface soil absorption system, reserve area, etc. When a nonpublic drinking water supply is to be permitted, show all sources of pollution within 200 feet.

The information required above has been drawn on the attached copy of the sketch submitted with the application. Attach additional sheets as necessary to illustrate the design.

This sewage disposal system and/or water supply is to be constructed as specified by the permit _____ or attached plans and specifications _____.

This sewage disposal system and/or well construction permit is null and void if (a) conditions are changed from those shown on the application (b) conditions are changed from those shown on the construction permit.

No part of any installation shall be covered or used until inspected, corrections made if necessary, and approved, by the local health department or unless expressly authorized by the local health dept. Any part of any installation which has been covered prior to approval shall be uncovered, if necessary, upon the direction of the Department.

Date: _____ Issued by: _____
Sanitarian

Date: _____ Reviewed by: _____
Supervisory Sanitarian

This Construction Permit Valid until _____

If FHA or VA financing

Reviewed by Date _____

Record of Inspection - Private Water Supply System

Commonwealth of Virginia
Department of Health

Health Department _____
I.D. Number _____

F.H.A. or V.A. Case Number
If Applicable _____

92 FEB 24 1992

Date _____ Local Health Department _____

Owner _____ Address _____ Phone _____

Exact Location of Premises _____

Subdivision _____ Section/Block _____ Lot _____

Class of nonpublic drinking water well. 1) Class III A _____
2) Class III B _____
3) Class III C _____
Date of installation _____ 4) Other _____

CONSTRUCTION INFORMATION

If information in any item below is secured from other sources (i.e. well log, etc.), so note.

1. Water well completion report filed as required by Sec. 2.18 Yes No
2. Well Location: Distances from sources of pollution (See Table 3.1, Minimum Separation Distances) and Section 3.4 of the Private Well Regulations.

Building Sewer _____ Pretreatment Unit _____
Conveyance System _____ Subsurface Soil Absorption System _____
(nearest point) Property Line _____ Other _____

Site graded where necessary to divert water away from well? Yes No N/A

3. Construction, General: (see Section 3.6 and 3.7 Private Well Regulations).

Total depth of well _____ feet. Type of casing _____
Depth of casing _____ feet. Diameter of casing _____ inches.
Casing extends inches above ground _____. Exterior space sealed with neat cement grout to a depth of _____ feet. Screens constructed of _____

free of rough edges and irregularities, with positive watertight seal between screen and casing? Yes No N/A

Well head and opening to the interior protected? Yes No

Type of well seal _____ Pitless adapter used? Yes No N/A

Properly installed? Yes No N/A Proper venting? Yes No N/A

4. Quantity: Yield and drawdown determined by continuous pumping of _____ hours. Drawdown _____ feet. Yield _____ GPM. Type of storage _____

5. Quality: Sample tap provided at entry into system? Yes No Samples(s) collected? Yes No Results of samples. Satisfactory Unsatisfactory (attach copy of results of this form)

Based on the inspection of this water supply system and the information contained on the water well completion report attached, this water supply meets does not meet the requirements of the Private Well Regulations.

Remarks: _____

Date _____ Signed _____
Sanitarian

Date _____ Signed _____
Supervisory Sanitarian

Date _____ Signed _____
Regional Sanitarian (FHA or FHA)

Final Regulations

THE COLLEGE OF WILLIAM AND MARY

REGISTRAR'S NOTICE: The Motor Vehicle Regulations filed by The College of William and Mary are exempted from the provisions of the Administrative Process Act by § 9-6.14:4.1. However, they are required to be filed under § 9-6.18 of the Virginia Register Act and published under § 9-6.14:22 of the Administrative Process Act.

* * * * *

Due to their length, the Motor Vehicle Regulations are not being published; however, the full text of the regulations is available for public inspection at the office of the Registrar of Regulations, General Assembly Building, 910 Capitol Street, 2nd Floor, Richmond, Virginia 23219 and at The College of William and Mary, Office of Administration and Finance, Williamsburg, Virginia 23185.

Title of Regulation: VR 187-01-02. The College of William and Mary Motor Vehicle Regulations.

Effective Date: 1991-1992.

Summary:

All College roads and grounds come under the jurisdiction of these regulations. The Board of Visitors has authorized the Campus Police to provide for the safety of persons on College property by enforcing these rules and regulations in conjunction with the office of Parking Services. These regulations have been established to meet the specific need for control of motor vehicles on College property. They do not supersede the enforcement by Campus Police of the laws of the Commonwealth, on or off College property. The regulations provide for registration of motor vehicles, establish traffic and parking regulations, provide for enforcement, set out right of appeal, and provide for revocation of registration.

EMERGENCY REGULATIONS

REAL ESTATE APPRAISER BOARD

EDITOR'S NOTE: The Real Estate Appraiser Board Emergency Regulations were published in 7:14 V.A.R. 2149-2158 April 8, 1991. The effective date of this regulation is being extended through March 14, 1992.

Title of Regulation: VR 583-01-03. Real Estate Appraiser Board Regulations.

Statutory Authority: § 54.1-2013 of the Code of Virginia.

Effective Date: (Extended through March 14, 1992)

REQUEST FOR AN EXTENSION OF THE EXPIRATION DATE OF REAL ESTATE APPRAISER BOARD EMERGENCY REGULATIONS

Pursuant to § 54.1-2013 of the Code of Virginia, the Director of the Department of Commerce promulgated emergency regulations governing the real estate appraisal profession in Virginia on October 31, 1990. These regulations were to remain effective through October 31, 1991.

Following receipt of information from the Appraisal Subcommittee of the Federal Financial Institutions Examinations Council, the entity authorized by Congress to monitor each state's Appraiser regulatory program, the Real Estate Appraiser Board voted to repeal the October 31, 1991 regulations. On January 9, 1991, the Real Estate Appraiser Board adopted a new set of emergency regulations to assure compliance with the federal laws requiring licensure of appraisers by July 1, 1991.

Upon submission of the regulations to the registrar, the Board specified that these emergency regulations remain effective from March 14, 1991, through October 31, 1991, five months less than the time allowable under the Administrative Process Act. However, because of the Appraisal Subcommittee's April 29, 1991, announcement to extend the nationwide effective date for the licensure of appraisers until January 1, 1992, Governor Wilder granted the Appraiser Board's request to extend the expiration date of the emergency rules through March 14, 1992.

Since July 1991, the Real Estate Appraiser Board has licensed 950 persons as appraisers in Virginia. Simultaneously, the Board has been engaged in the regulatory review process preparing to adopt final regulations for implementation on March 15, 1992. However, Congress recently amended Title 11 of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FFIRREA), the law upon which Virginia's regulatory program is based, to extend the nationwide effective date for the licensure of appraisers until January 1, 1993. This recent Congressional action has resulted in a significant disparity between the Virginia statutory requirement for licensure by January 1, 1992, and the recently adopted federal requirement for licensure

of appraisers involved in federally related transactions by January 1, 1993. Other recent amendments to Title 11 of FFIRREA, alter the Board's authority to set qualifications requirements for licensure.

As a result of these changes, legislation has been introduced in the current session of the Virginia General Assembly to extend the statewide effective date for the licensure of appraisers, as well as to amend the qualifications requirements for licensure previously set in regulation (HB33, HB314, & HB315). This legislation, appears to have broad support among the legislature. Its passage would require new regulations to be adopted by the Board, and alter the Board's current schedule to adopt final regulations on January 21, 1992.

As an alternative to legislation, the Board considered and adopted a regulatory modification on January 21, 1992 attempting to address the issues brought about by the federal amendments and proposed legislation. Even though the Board adopted an emergency regulation it believes appropriately addresses those outstanding issues presented by the legislation, it appears that the passage of House Bills 33, 314, or 315 is inevitable and will require the adoption of yet another set of regulations by the Real Estate Appraiser Board.

Given the current budgetary shortfall in the state, it is not cost effective to adopt, duplicate and distribute a new set of final regulations in March 1992, only to have them repealed as a result of legislation which likely will be passed in the General Assembly. Only under these highly unusual circumstances outlined above does the Real Estate Appraiser Board respectfully request a 30 day extension of the emergency regulations currently in effect so that the Board may continue to license appraisers until an appropriate regulation or legislative solution is reached.

Approval:

/s/ Robert E. Barton, Chairman
by DYK

Real Estate Appraiser Board
Date: January 24, 1992

/s/ Milton K. Brown, Jr., Director
Department of Commerce
Date: January 24, 1992

/s/ Lawrence H. Framme, III
Secretary of Economic Development
Date: January 30, 1992

/s/ L. Douglas Wilder
Governor
Date: January 31, 1992

/s/ Joan W. Smith
Registrar of Regulations
Date: February 10, 1992

STATE CORPORATION COMMISSION

Bureau of Insurance

January 17, 1992

ADMINISTRATIVE LETTER 1992-1

TO: All Companies Licensed to Write Commercial Liability Insurance

RE: Supplemental Report for Certain Lines and Subclassifications of Liability Insurance as Required by Virginia Code Section 38.2-1905.2 due May 1, 1992

Virginia Code Section 38.2-1905.1 requires the State Corporation Commission (SCC) to designate lines and subclassifications of insurance where it believes competition may not be an effective regulator of rates. Virginia Code Section 38.2-1905.2 provides that all insurers licensed to write the classes of insurance defined in Sections 38.2-117 (Personal injury liability) and 38.2-118 (Property damage liability) shall file a report showing their direct experience in the Commonwealth attributable to all lines and subclassifications of liability insurance designated by the SCC in accordance with subsection B of Section 38.2-1905.1.

The lines and subclassifications where the SCC has cause to believe that competition may not be an effective regulator of rates have been designated in the SCC's report, "The Level of Competition, Availability and Affordability in the Commercial Liability Insurance Industry", submitted to the General Assembly in August, 1991. Copies of this report may be obtained by phoning the Property and Casualty Division of the Bureau of Insurance at (804) 786-3665. A listing of the designated lines and subclassifications is attached (See Exhibit 2).

To collect the data required by Virginia Code Section 38.2-1905.2, the SCC has adopted the attached supplemental report form that each insurer is required to complete for the designated lines and subclassifications. The attached supplemental report form has not been substantially changed from the supplemental report forms adopted by the SCC in 1989 and 1990, except to reflect the 1990 amendment to Virginia Code Section 38.2-1905.1 which substituted "biennially" for "annually" in the first sentence of Subsection A, changing the reporting requirement to every two years. All supplemental reports should be submitted on diskette, which will be forwarded to you upon receipt of the Diskette Request Form. Experience for 1990 and 1991 should be reported on one form for each market definition specified in Exhibit 2. The market definitions provided are to be used as a guide in defining specific lines and subclassifications which are required to be reported. Companies should also report the required information for policies written under any comparable classification in use by the individual company.

Pursuant to the Commission's order of January 13, 1992, a copy of which is attached, the reports are due (must be received by) May 1, 1992. Insurers shall report data in the

detail prescribed by the report format. If some information is not available, insurers should estimate appropriate figures to complete the form. Insurers with no written premium in one or more of the lines or subclassifications for 1990 and/or 1991 must complete and return Exhibit 10A and Exhibit 10B. No insurer licensed to write the classes of insurance as defined in Virginia Code Sections 38.2-117 and 38.2-118 is exempted from this data call, regardless of whether or not said insurer wrote business in Virginia during the experience period.

If you have any questions regarding the form, please contact:

LaToria H. Tookes
Insurance Analyst
Bureau of Insurance
P. O. Box 1157
Richmond, VA 23209
Telephone: (804) 371-8986

Virginia Code Section 38.2-218 provides that any person who knowingly or willfully violates any provision of the insurance laws shall be punished for each violation by a penalty of not more than \$5,000. Failure to file a substantially complete and accurate supplemental report by the due date may be considered a willful violation and may subject the insurer to an appropriate penalty.

Attached is a sheet of additional instructions (See Exhibit 1) to facilitate accurate completion of the supplemental reports.

/s/ Steven T. Foster
Commissioner of Insurance

STATE CORPORATION COMMISSION

AT RICHMOND, JANUARY 13, 1992

COMMONWEALTH OF VIRGINIA

At the relation of the

STATE CORPORATION COMMISSION

CASE NO. INS920003

Ex Parte, In re: Adoption
of supplemental report form
pursuant to Virginia Code
§ 38.2-1905.2.B.

ORDER ADOPTING SUPPLEMENTAL REPORT FORM

WHEREAS, by order entered herein September 7, 1990, the Commission provided an opportunity for the Attorney General and interested insurers to comment on the feasibility of amending the existing supplemental report forms to conform to a format substantially similar to that

adopted by the National Association of Insurance Commissioners for the Insurance Expense Exhibit which is filed as a supplement to each insurer's Annual Statement; and

WHEREAS, the Commission has considered and reviewed the comments filed in this matter concerning the supplemental report forms,

IT IS ORDERED that the supplemental report form, which is attached hereto and made a part hereof, be, and it is hereby, ADOPTED for filing pursuant to Chapter 19 of Title 38.2 of the Code of Virginia and that such supplemental report be filed by insurers with the Commission on or before May 1, 1992.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to the Honorable Mary Sue Terry, Attorney General of Virginia, in care of Gail D. Jaspen, Senior Assistant Attorney General, 101 North Eighth Street, Richmond, Virginia 23219; James C. Roberts, Esquire, Mays & Valentine, P.O. Box 1122, Richmond, Virginia 23208-1122; C. William Waechter, Jr., Esquire, Press, Culler, Jones, Waechter & Stoneburner, P.C., 1700 Bayberry Court, Suite 300, Richmond, Virginia 23236; and the Bureau of Insurance in care of Robert A. Miller, Deputy Commissioner, who shall forthwith cause a copy of this Order to be sent to all insurers licensed to transact the business of property and casualty insurance in this Commonwealth and all rate service organizations licensed pursuant to Chapter 19 of the Code of Virginia.

State Corporation Commission

SUPPLEMENTAL REPORT REQUIRED BY VIRGINIA CODE SECTION 38.2-1905.2 FOR CERTAIN LINES OR SUBCLASSIFICATIONS OF LIABILITY INSURANCE

BY ORDER OF THE STATE CORPORATION COMMISSION THIS REPORT IS DUE ON OR BEFORE MAY 1, 1992. AT THE STATE CORPORATION COMMISSION BUREAU OF INSURANCE, MAILING ADDRESS: P. O. BOX 1157, RICHMOND, VIRGINIA 23209, OR STREET ADDRESS: 1220 BANK STREET, RICHMOND, VIRGINIA 23219.

All insurers licensed to write the classes of insurance defined in Section 38.2-117 (Personal Injury Liability) and 38.2-118 (Property Damage Liability) shall file a report showing their direct experience in the Commonwealth attributable to the line or subclassification of liability insurance below which has been designated by the Commission in accordance with subsection 9 of Section 38.2-1905.1.

For the market designated, provide the information requested:

A. Market Number and Name: _____
 B. Insurer: _____ C. NAIC #: _____
 D. Group Name: _____ E. Group NAIC #: _____
 (Each insurer must report separately; group reports are not permitted)

- NOTE: 1. All figures are to be reported in whole numbers or dollars. Do not include dollar signs, decimal points, or commas.
 2. For item 1, policies written for other than a 12 month term should be adjusted to an annual basis.
 3. Losses include all loss adjustment expenses which are reported in item 8 B.
 4. Loss adjustment expenses reported in item 8 B should include incurred but not reported loss adjustment expenses.

	Calendar Year (Except As Otherwise Specified)			
	1987	1988	1989	1990
1. Number of policies written	_____	_____	_____	_____
2. Direct premiums written	_____	_____	_____	_____
3. A. Direct premiums earned	_____	_____	_____	_____
B. Net premiums earned	_____	_____	_____	_____
4. Direct losses incurred	_____	_____	_____	_____
A. Direct losses paid during the calendar year:	_____	_____	_____	_____
(1) for the current accident year	_____	_____	_____	_____
(2) for prior accident years	_____	_____	_____	_____
B. Reserves for reported losses at the end of the calendar year:	_____	_____	_____	_____
(1) for the current accident year	_____	_____	_____	_____
(2) for prior accident years	_____	_____	_____	_____
C. Reserves for reported losses at the end of the previous calendar year	_____	_____	_____	_____
D. Reserves for incurred but not reported losses at the end of the calendar year:	_____	_____	_____	_____
(1) for the current accident year	_____	_____	_____	_____
(2) for prior accident years	_____	_____	_____	_____

5. Reserves for incurred but not reported losses at the end of the previous calendar year: _____
 (A)(1) + B(1) + D(1) _____
 6. Incident year incurred losses _____
 (A)(1) + B(1) + D(1) _____
 7. Calendar year incurred losses _____
 (A)(1) + A(2) + B(1) + B(2) + C + D(1) + D(2) + E _____
 8. Number of claims closed with payment during the calendar year: _____
 9. Number of open claims at the end of the calendar year: _____
 10. Net investment gain (loss) including realized capital gains generated by the line or subclass of business attributable to net premium, loss and loss expense reserves: _____
 11. A. Direct underwriting expenses incurred in producing the written premium in line 2 (direct premiums written): _____
 (1) commissions _____
 (2) general expenses _____
 (3) other acquisition expenses _____
 (4) premium taxes, (licenses and fees) _____
 (5) Total (sum of all parts in question 8 A) _____
 B. All direct loss adjustment expenses incurred on a calendar year basis: _____

9. Have you sought to write or obtain new business within this line or subclassification within the past year?
 Yes _____ No _____

10. A. If applicable to this market definition, please provide the Rate Service Organization (RSO), filing number (i.e., CUB-ADULT, etc.), the amount of filed deviation (not including the impact of special rating or rating programs), if any, and the percentage of 1991 written premium using the particular filing:

RSO Number	Filing Designation	Deviation Factor	% 1991 Premium Written
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

B. If an RSO filing applies to this market definition, but the Company used independent rates for all or part of this market definition, what percent of reported 1991 premium are written using independent rates? _____

NOTE: The sum of the percents of written premium in A and B should total 100%.

EXHIBIT 1

Page 1

SUPPLEMENTAL REPORT INSTRUCTIONS

The following should be utilized to assure the proper completion and submission of the supplemental reports, which must be received by the Commission on or before May 1, 1992.

1. Do NOT change the format of the supplemental report. The report(s) should be submitted on diskette; however, companies who cannot comply may submit the appropriate paper reports by reproducing the forms attached in this letter.
2. Please complete and return the Diskette Request Form. The diskette will contain the Supplemental Report forms, previously reported data, the operating system, and detailed instructions. If you have any questions regarding the diskette procedure please contact LaToria Tookes at (804) 371-8986.
3. Insurers who submit data on the diskette will only be required to report 1990 and 1991 data, unless data from previous years is being amended. Insurers who submit paper reports must provide data for all five years (1987 through 1991) for all questions on the reporting form. Paper forms received without all five years of data will be considered substantially incomplete, invoking possible penalties as outlined in page 2 of this Administrative Letter. All paper reports must be typed. Handwritten reports will not be accepted.
4. Each supplemental report must contain the individual company name, NAIC#, group name and group NAIC#. **REPORTS ARE TO BE FILED FOR INDIVIDUAL COMPANIES (DO NOT SUBMIT AGGREGATED GROUP REPORTS).**
5. Submit only one supplemental report per market definition. For example, all contractors' subclassifications are considered one market and separate reports should not be submitted for the various subclassifications. (Do not combine markets.)
6. Exhibit 10A (for 1990) and Exhibit 10B (for 1991) must both be completed for all companies who are licensed but who have no written premiums in any of the listed market definitions.
7. Use whole dollars or numbers. Do not include dollar signs, decimal points, or commas in completing the supplemental report. **DO NOT OMIT 000'S.** Do not use dashes, N/A or leave blanks within the report.

C. Do you apply schedule, expense, experience, and/or package modifications to eligible risks?

1. Schedule	Yes	_____	No	_____
2. Expense	Yes	_____	No	_____
3. Experience	Yes	_____	No	_____
4. Package Modification	Yes	_____	No	_____

D. If yes, indicate:

1. The maximum schedule credits and/or debits allowed (-) _____ % to (+) _____ %
2. The maximum expense credits allowed (-) _____ %
3. The package modification factor _____

This factor should be expressed as a final rating factor, i.e. .15 or .85. Enter only one factor - if you have different factors for different categories, please give a weighted average for all subclasses within this line.

Signed: _____

Telephone: _____

Date: _____

Title: _____

Print Name: _____

EXHIBIT 1

PAGE 3

Additional Instructions for Completion of Supplemental Reports

Company Description	Definition
A. Market Number and Name.	Defined by Virginia AL 1992-1.
B. Insurer.	Exact verbal name of insurer.
C. NAIC Number.	NAIC Number for each insurer.
D. Group Name.	Exact Verbal name of group.
E. Group NAIC Number.	Group NAIC Number.

Questions

Definition

NOTE: All accident year data should be evaluated as of the end of each calendar year being reported.

- EXHIBIT 1
PAGE 2
8. Items 1, 2, 3, 5, 6, 7, and 8 of the supplemental report shall be reported on a calendar year basis. The subparts of item 4 shall be reported on a calendar or accident year basis as required.
 9. Items 4 B, and C do not include Incurred But Not Reported losses (IBNR).
 10. Losses exclude all loss adjustment expenses which are reported in item 8 B.
 11. Loss adjustment expenses reported in item 8 B should include any incurred but not reported loss adjustment expenses.
 12. For item 1, policies written for other than a 12 month term should be adjusted to an annual basis.
 13. Additional Instructions for completion of the Supplemental Reports are attached.

1. Number of Policies Written.	A count of policies written in a calendar year within a Market Definition. The count should be annualized. Policy counts should be annualized (e.g. 6 months policies should be counted once in a given year and 3 year policies should be counted in each year).
2. Direct Premiums Written.	Standard definition.
3. A. Direct Premiums Earned. B. Net Premiums Earned.	Standard definition. Standard definition.
4. A.(1) Direct Losses Paid During the Calendar Year for the Current Accident Year.	Calendar year paid are divided between (1) paid where the accident year is the same as the calendar year and (2) other accident years. Where the calendar year and accident year are the same, this paid amount is reported under Question 4 A.(1). (Paid losses in this item exclude Loss Adjustment Expense.)
A.(2) Direct Losses Paid During the Calendar Year for Prior Accident Years.	Calendar year paid are divided between (1) paid where the accident year is the same as the calendar year and (2) other accident years. Where the calendar and accident year are NOT the same, this paid amount is reported under Question 4 A.(2). (Paid losses in this item exclude Loss Adjustment Expense.)
	The sum of Questions 4 A.(1) and 4 A.(2) equals the total calendar year paid.
B.(1) Reserves for Reported Losses at the End of the Calendar Year for the Current Accident Year.	Reserves for reported losses at the end of the calendar year are divided between (1) those in which the accident year is the same as the calendar year and (2) other accident years. Where the calendar and accident year are the same, this reserve amount should be reported under Question 4 B.(1). (Reserves in this item exclude Loss Adjustment Expense.)
B.(2) Reserves for Reported Losses at the End of the Calendar Year for Prior Accident Years.	Reserves for reported losses at the end of the calendar year are divided between (1) those in which the accident year is the same as the calendar year and (2) other accident years. Where the calendar year and accident year are NOT the same, this reserve amount should be reported under Question 4 B.(2). (Reserves in this item exclude Loss Adjustment Expense.)
	The sum of Questions 4 B.(1) and 4 B.(2) equals the total reserves at the end of the calendar year.
C. Reserves for Reported Losses at the End of the Previous Calendar Year.	Sun of Questions 4 B.(1) and 4 B.(2) for the prior year end.

EXHIBIT 2

PAGE 1

SUPPLEMENTAL REPORT FOR CERTAIN LINES OR SUBCLASSIFICATIONS OF
LIABILITY INSURANCE AS REQUIRED BY VIRGINIA CODE 38.2-1905.2

EXHIBIT 1		Market Definitions	
PAGE 4		Market Number and Name	Commercial Statistical Plan (CSP) Classes
D.(1) Reserves for Incurred But Not Reported Losses at the End of the Calendar Year for the Current Accident Year.	IBNR reserves at the end of the calendar year are divided between (1) those in which the accident year is the same as the calendar year and (2) other accident years. Where the calendar year and accident year are the same, this IBNR amount should be reported under Question 4 D.(1). (This figure should exclude Loss Adjustment Expense.)	87001 Architects and Engineers Professional Liability	73908, 73909, 73910 (Subline 317)
D.(2) Reserves for Incurred But Not Reported Losses at the End of the Calendar Year for Prior Accident Years.	IBNR reserves at the end of the calendar year are divided between (1) those in which the accident year is the same as the calendar year and (2) other accident years. Where the calendar year and accident year are NOT the same, this reserve amount should be reported under Question 4 D.(2). (This figure should exclude Loss Adjustment Expense.)	87004 Directors and Officers Liability	73140, 73144, 73145 (Subline 317)
E. Reserves for Incurred But Not Reported Losses at the End of the Previous Calendar Year.	The sum of Questions 4 D.(1) and 4 D.(2) equals the total IBNR reserves at the end of the calendar year.	87006 Insurance Agents Professional Liability	73123 (Subline 317)
F. Accident Year Incurred Losses.	Sum of Questions 4 D.(1) and 4 D.(2) for the prior year end.	87008 Lawyers Professional Liability	See Exhibit 5
G. Calendar Year Incurred Losses.	Sum of questions 4 A.(1), 4 B.(1) and 4 D.(1).	87010 Medical Professional Liability	All subline 210, 220, 230 and 240 classes
5. Number of Claims Closed With Payment During the Calendar Year.	Sum of questions 4 A.(1), 4 A.(2), 4 B.(1), 4 B.(2), 4 D.(1), and 4 D.(2), minus 4 C. and 4 E.	87013 Products and Completed Operations Liability	All subline 316 and 336 classes
6. Number of Open Claims at the End of the Calendar Year.	A count of claims with indemnity and/or medical payments only.	87015 Real Estate Agents Professional Liability	73127 (Subline 317)
7. Net Investment Gain (Loss).	Self defining.	88022 Landfill Liability	All Classes*
8. A. Direct Underwriting Expenses Incurred.	Self defining.	88030 Volunteer Fire Departments and Rescue Squads Liability	See Exhibit 8
B. All Direct Loss Adjustment Expenses Incurred During Each Calendar Year.	Self defining.	88031 Water Treatment Plants Liability	See Exhibit 9
9. Seeking to write new business?	This question applies to experience year 1991 only.	91001 Commercial Contractors Liability including Asbestos Abatement Contractors Liability	See Exhibit 3
10. Rating Information Questions	These questions apply to experience year 1991 only.	91002 Environmental Impairment Liability including Underground Storage Tank Liability	See Exhibit 4
		91003 Municipal Liability including: Law Enforcement Agencies Liability-- Public Housing Liability Public Officials Errors and Omissions Liability-- School Board Errors and Omissions Liability-- Sewage Treatment Plant Liability	See Exhibit 6 CSP Code 73132 CSP Code 73131 All Classes* See Exhibit 6

EXHIBIT 3

Page 1

COMMERCIAL CONTRACTORS LIABILITY

		Class Code		
Subline	Old	New	Description	
313	17140*		Air Conditioning, Heating, or Refrigeration Systems or Combined Heating and Air Conditioning Systems - installation, servicing and repair - including shop and retail stores or display rooms	
			* Code 17140 includes "Gas Appliances or Equipment - household type - installation, servicing or repair"	
334		91111	Air Conditioning Systems or Equipment - Dealers or distributors and installation, servicing or repair	
334		95647	Heating or Combined Heating and Air Conditioning System or Equipment - dealers or distributors and installation, servicing or repair - no liquefied petroleum gas (LPG) equipment sales or work	
334		95648	Heating or Combined Heating and Air Conditioning Systems or Equipment - dealers or distributors and installation, servicing or repair - Not otherwise Classified	
313	16135		Airport Runway or Warming Apron Construction, Paving or Repaving	
334		91125	Airport Runway or Warming Apron - paving or repaving, surfacing, resurfacing or scraping	
334		95630	Asbestos Abatement Contractors	
313	76992		Boiler Inspecting or Scaling	

EXHIBIT 2

Page 2

SUPPLEMENTAL REPORT FOR CERTAIN LINES OR SUBCLASSIFICATIONS OF LIABILITY INSURANCE AS REQUIRED BY VIRGINIA CODE §38.2-1905.2

91004 Detective or Investigative Agencies See Exhibit 7
 Liability (private) including Security
 Guards Liability

The above market definitions are to be used as a guide in defining specific markets which are required to be reported. Companies should also report the required information for policies written under any comparable classification in use by the individual company.

* NOTE: The ISO CSP does not have specific classes for this market.

EXHIBIT 3

Page 2

COMMERCIAL CONTRACTORS LIABILITY

Class Code			Description
Subline	Old	New	
313	17145*		Boiler Installation or repair - steam * Code 17145 also includes "Tank Erection or Repair - metal - within buildings exclusively"
334		91250	Boiler Inspection, Installation, Cleaning or Repair
334		99572	Tank Construction, Installation, Erection or Repair - metal - not pressurized - within buildings exclusively
334		99573	Tank Construction, Installation, Erection or Repair - metal - pressurized - within buildings exclusively
313	16275*		Bridge or Elevated Highway Construction * Code 16275 also includes "Iron or Steel Erection - bridges"
334		91265	Bridge or Elevated Highway Construction - iron or steel
334		91266	Bridge or Elevated Highway Construction - concrete
313	17835		Building Equipment Installation, Erection, Servicing or Repair - Not Otherwise Classified
313	17885*		Building or Structure Raising, Moving or Underpinning - including incidental shoring * Code 17885 includes "Salvage Operations" and "Underpinning Buildings or Structures"

EXHIBIT 3

Page 3

COMMERCIAL CONTRACTORS LIABILITY

Class Code			Description
Subline	Old	New	
334		91280	Building Structure - raising or moving
334		98698	Salvage Operations - Not Otherwise Classified
334		99803	Underpinning Buildings or Structures
313	17314		Cable Installation in Conduits or Subways
334		91302	Cable Installation in Conduits or Subways
334		91324	Caisson or Cofferdam Work - Foundations for buildings
334	16235*		Caisson Work - not foundations for buildings * Code 16235 also includes "Cofferdam Work," "Shaft Sinking" and "Tunneling"
334		91325	Caisson or Cofferdam work - not foundations for buildings
334		98871	Shaft Sinking
334		99798	Tunneling
313	17535*		Carpentry - Not Otherwise Classified * Code 17535 also includes "Ceiling or Wall Installation - not plastering", "Modular Units - building erection", "Prefabricated Building Erection"

EXHIBIT 3

COMMERCIAL CONTRACTORS LIABILITY

EXHIBIT 3

COMMERCIAL CONTRACTORS LIABILITY

COMMERCIAL CONTRACTORS LIABILITY				COMMERCIAL CONTRACTORS LIABILITY			
Page 4				Page 5			
Class Code				Class Code			
Subline	Old	New	Description	Subline	Old	New	Description
				313	16285		Conduit Construction
				334		91577	Conduit Construction for Cables or Wires
334		91342	Carpentry - Not Otherwise Classified	313	42264		Contractors Permanent yards - maintenance or storage of equipment or material
334		98502	Prefabricated Building Erection	334		91590	Contractors Permanent Yards - maintenance or storage of equipment or material
313	17621		Ceiling or Wall Installation - metal	313	17755*		Core Drilling - Not Otherwise classified
334		91436	Ceiling or Wall Installation - metal				* Code 17755 also includes: "Drilling - Not Otherwise classified"
313	17745*		Cement, Concrete or Granolithic Floor Construction, Finishing or Surfacing	334		92101	Drilling - Not Otherwise classified
			* Code 17745 also includes "Concrete Construction - Not Otherwise Classified"	334		92102	Drilling - Water
334		91560	Concrete Construction	313	16232		Dam or Reservoir Construction
313	17425*		Chimney Construction	334		91618	Dam or Reservoir Construction
			* Code 17425 also includes "Masonry - Not Otherwise Classified"	313	16295*		Dike or Revetment Construction - river work only
334		91481	Chimney Cleaning				* Code 16295 also includes: "Jetty or Breakwater Construction" and "Levee Construction"
334		97447	Masonry	334		91641	Dike, Levee or Revetment Construction
313	17965		Cleaning or Renovating - outside Surfaces of Buildings	334		96872	Jetty or Breakwater Construction
334		91522	Cleaning or Renovating - outside Surfaces of Buildings	313	17511		Door, Window or Assembled Millwork Erection - metal or metal covered
313	17741		Concrete Block Construction - buildings				

EXHIBIT 3

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COMMERCIAL CONTRACTORS LIABILITY

<u>Class Code</u>			
<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
334		91746	Door, Window or Assembled Millwork - installation - metal
313	16293		Dredging - except gold dredging
334		92055	Dredging - Not Otherwise Classified
313	16144		Driveway, Parking Area or Sidewalk Construction, Paving or Repaving
334		92215	Driveway, Parking Area or Sidewalk - paving or repaving
313	17946		Dry Wall or Wallboard Installation
334		92338	Dry Wall or Wallboard Installation
313	16242		Electric Light or Power Line Construction - Rural Electrification Administration Projects only
334		92447	Electric Light or Power Line Construction - Rural Electrification Administration Projects only
313	16245*		Electric Light or Power Line Construction - Not Otherwise Classified * Code 16245 also includes: "Telephone, Telegraph or Fire Alarm Line Construction"
334		92446	Electric Light or Power Line Construction - Not Otherwise Classified
334		99613	Telephone, Telegraph or Cable Television Line Construction

EXHIBIT 3

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COMMERCIAL CONTRACTORS LIABILITY

<u>Class Code</u>			
<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
313	17315		Electrical Wiring - within buildings - including installation or repair of fixtures or appliances
334		91127	Alarm and Alarm Systems - installation, servicing or repair
334		92451	Electrical Apparatus - installation, servicing or repair - Not Otherwise Classified
334		92478	Electrical Work - within building
313	17845		Elevator, Escalator or moving Sidewalk Installation, Service or Repair
334		92593	Elevator or Escalator Inspecting, Installation, Servicing or Repair
313	15111		Excavation - Not Otherwise Classified
334		94007	Excavation
313	17985		Fence Erection - metal
334		94276	Fence Erection Contractors
313	15161*		Fireproofing - structures * Code 15161 also includes "Insulation Work - installation or application of acoustical or thermal insulating materials in buildings or within building walls - Not Otherwise Classified"
334		94404	Fireproofing - structures

EXHIBIT 3

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COMMERCIAL CONTRACTORS LIABILITY

<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
313	17765		Iron or Steel Erection - frame structures, iron work on outside of buildings including erecting or repairing balconies, fire escapes, railings, staircases, coal chutes or fireproof shutters
334		97651	Metal erection - frame structures - iron work on outside of buildings
313	15121		Iron or Steel Erection in the construction of dwellings not exceeding two stories in height
334		97652	Metal Erection - in the construction of dwellings not exceeding two stories in height
313	15122		Iron or Steel Erection - steel lock gates, gas holders, standpipes, water towers, smoke stacks, tanks, silos, prison cells or fire or burglar proof vaults
334		97654	Metal Erection - steel lock gates gas holders, standpipes, water tower, smokestacks, tanks, silos, prison cells, fire or burglar proof vaults
313	15125		Iron or Steel Erection - Not Otherwise Classified
334		97655	Metal Erection - structural - Not Otherwise Classified
313	16255		Irrigation or Drainage System Construction - including pile driving or dredging
334		96702	Irrigation or Drainage System Construction

EXHIBIT 3

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COMMERCIAL CONTRACTORS LIABILITY

<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
	<u>Class Code</u>		
334		96408	Insulation Work - plastic - Not Otherwise Classified
334		96409	Insulation Work - organic or plastic in solid state
334		96410	Insulation Work - mineral
313	49531*		Garbage, Ashes or Refuse Collecting * Code 49531 also includes: "Street Cleaning - including snow removal from street and highways"
334		95233	Garbage, Ash or Refuse Collecting
334		99303	Street Cleaning
313	16225		Gas, Sewer, Steam or Water Mains or Connections Construction - including tunneling at street crossings
334		95310	Gas Mains or Connections Construction
334		98820	Sewer Mains or Connections Construction
334		99163	Steam Mains or Connections Construction
334		99946	Water Main or Connections Construction
313	07313		Grading of Land - Not Otherwise Classified
334		95410	Grading of Land

EXHIBIT 3

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COMMERCIAL CONTRACTORS LIABILITY

Class Code		Description
Subline	Old New	
313	15142	Military Reservation Construction - Carpentry
313	17762	Military Reservation Construction - iron or steel erection - not over two stories in height
313	16365*	Oil or Gas Pipe Construction - including pile driving and dredging * Code 16365 also includes "Pipe Line Construction - including pile driving or dredging"
334	98423	Pipeline Construction - gas
334	98424	Pipeline Construction - Not Otherwise Classified
334	98425	Pipeline Construction - Oil
334	98426	Pipeline Construction - slurry - nonflammable mixtures
313	17235*	Painting - oil or gasoline tanks - including shop operations * Code 17235 also includes "Painting, Decorating or Paper Hanging - Not Otherwise Classified - including shop operations", "Paperhanging" and "Sign Painting or Lettering - on buildings or structures - including operations"
334	98304	Painting - exterior - buildings or structures - three stories or less in height - Not Otherwise Classified
334	98305	Painting - interior buildings or structures

EXHIBIT 3

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COMMERCIAL CONTRACTORS LIABILITY

Class Code		Description
Subline	Old New	
334	98306	Painting - Oil or gasoline tanks
334	98344	Paperhanging
334	99004	Sign Painting or Lettering on Buildings or Structures
313	17215	Painting - ship hulls
334	98307	Painting - ship hulls
313	17225	Painting - steel structures or bridges
334	98303	Painting - exterior - buildings or structures - exceeding three stories in height - Not Otherwise Classified
313	17805	Pile Driving - building foundations only
334	98413	Pile Driving - building foundations only
313	16296	Pile Driving - sonic method
334	98415	Pile Driving - sonic method
313	16294	Pile Driving - including timber wharf building - Not Otherwise Classified
334	98414	Pile Driving - Not Otherwise Classified
313	17185	Plumbing - Not Otherwise Classified
334	98482	Plumbing commercial and industrial
334	98483	Plumbing - residential or domestic
334	99080	Solar Energy Contractors

EXHIBIT 3

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COMMERCIAL CONTRACTORS LIABILITY

<u>Class Code</u>			
<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
334		99948	Water Softening Equipment - installation, servicing or repair
334		98636	Refrigeration Systems or Equipment - dealers and distributors and installation, servicing or repair - commercial
313	17625		Roofing - all kinds - including yard employees
334		98677	Roofing - commercial
334		98678	Roofing - residential
334		98705	Sandblasting
313	17615*		Sheet Metal Work Erection Installation or Repair - Not Otherwise Classified
			* Code 17615 also includes "Siding Installation - not wood"
313	73122		Sign Erection or Repair - not outdoor advertising companies - including shop operations
334		98884	Sheet Metal Work - shop and outside
334		98967	Siding Installation
334		98993	Sign Erection, Installation or Repair
313	17141		Steam Pipe or Boiler Insulation
334		99165	Steam Pipe or Boiler Insulation
313	16115		Street or Road Construction or Reconstruction
334		99315	Street or Road Construction or Reconstruction

EXHIBIT 3

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COMMERCIAL CONTRACTORS LIABILITY

<u>Class Code</u>			
<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
313	16125		Street or Road Paving or Repaving, Surfacing or Resurfacing or Scraping
334		99321	Street or Road Paving or Repaving, Surfacing or Resurfacing or Scraping
313	16205		Subway Construction
334		99445	Subway Construction
313	17802		Swimming Pools - below ground - installation, service or repair
334		99507	Swimming Pools - installation, servicing or repair - below ground
313	17906		Swimming Pools - above ground - installation, service or repair
334		99506	Swimming Pools - above ground - installation, service or repair
334		99570	Tank Construction, Installation, Erection or Repair - metal - not pressurized - Not Otherwise Classified
334		99571	Tank Construction, Installation, Erection or Repair - metal - pressurized - Not Otherwise Classified
313	17821		Wrecking - marine- including salvage operations
334		99988	Wrecking - marine
313	17822		Wrecking Buildings or Structures - not marine - Not Otherwise Classified
334		99986	Wrecking - buildings or structures - Not Otherwise Classified

EXHIBIT 5
LAWYERS PROFESSIONAL LIABILITY

EXHIBIT 4 ENVIRONMENTAL IMPAIRMENT LIABILITY				Subline	Class Code	Description
Subline	Old	New	Description			
325	90000		Pollution Liability	317	81220	Lawyers - not members or employees of a partnership
350		90100	Pollution Liability Form - Including Clean-up Costs Coverage	317	81113	Additional Charge: Employed Lawyers not named as insureds and employed law clerks, investigators and abstracters - not employees of a partnership.
350		90105	Pollution Liability Form - Excluding Clean-up Costs Coverage	317	81330	Lawyers - members or employees of a partnership
350		90110	CGL Coverage Form - Pollution Extension Endorsement (Excludes Clean-up Costs Coverage)	317	81114	Additional Charge: Employed Lawyers not named as insureds and employed law clerks, investigators and abstracters - employees of a partnership.
			Underground Storage Tanks (all classes and types)	317	81400	Lawyers
				317	81420	Employed law clerks, Investigators, Abstracters and Paralegals

EXHIBIT 6

Page 1

MUNICIPAL LIABILITY

GOVERNMENTAL SUBDIVISION - NOT STATE OR FEDERAL

Municipalities (including boroughs, cities, towns, townships, etc.)

Subline*	Class Code		Population
	Old	New	
91250	44100		Under 2,500
91251	44101		2,501 - 10,000
91252	44102		10,001 - 25,000
91253	44103		25,001 - 50,000
91254	44104		50,001 - 100,000
91255	44105		100,001 - 250,000
91256	44106		Over 250,000
91263	Included		Personal Injury Coverage

Counties or Parishes

91257	44108		Under 10,000
91258	44109		10,001 - 25,000
91259	44110		25,001 - 50,000
91260	44111		50,001 - 100,000
91261	44112		100,001 - 250,000
91262	44113		Over 250,000
91263	Included		Personal Injury Coverage

#93050	93050		Governmental Composite Rated Risks
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Class Code

Old	New	Description
93111		Government Employees - municipal, township, county or state
		This classification includes employees engaged in laboratory work, inspectors of the Board of Health, electrical inspectors, building inspectors and similar occupations. Workmen, mechanics or others engaged in manual labor or supervisors of construction work to be separately rated.

EXHIBIT 6

Page 2

MUNICIPAL LIABILITY

GOVERNMENTAL SUBDIVISION - NOT STATE OR FEDERAL

Municipalities (including boroughs, cities, towns, townships, etc.)
Streets, Roads, Highways or Bridges

Class Code

Old	New	Description
93151		Streets, Roads or Highways - with or without sidewalks - including bridges and culverts but excluding toll bridges and drawbridges - existence hazard only (excluding New York)
	48727	Streets, Roads, Highways or Bridges - existence and maintenance hazard only

* NOTE: Except for Governmental Composite Rated Risks (class 93050), all old classes are subline 314 - all new classes are subline 334

NOTE: Sublines 322, 323, 324, 342, 343, and 344

EXHIBIT 6

Page 3

MUNICIPAL LIABILITY

LAW ENFORCEMENT AGENCIES LIABILITY SUBCLASS

All classes, including, but not limited to the following:

Agencies whose employees deal directly with the public and exercise general powers of arrest such as:

- (a) County Sheriff/Police Chief
- (b) Peace Officers

Agencies whose employees do not deal directly with the public and exercise limited power of arrest such as:

- (a) Jailers
- (b) Matrons
- (c) County Security
- (d) Civil Process Officers

Agencies who do not exercise power of arrest and whose duties are administrative such as:

- (a) County Commissioners
- (b) City Council
- (c) Mayors or City Managers
- (d) Auxiliary or Reserve Police
- (e) Coroner
- (f) School Crossing Guards, Humane Officers, Crime Prevention Officers

Agencies whose employees whose ordinary duties are only indirectly related to enforcement of criminal laws such as:

- (a) Clerical Staff/Fingerprinting/License Examination
- (b) Stenographic Personnel/Food Service/Photographic
- (c) Dispatcher/Record Keeping

EXHIBIT 6

Page 4

MUNICIPAL LIABILITY

PUBLIC HOUSING LIABILITY SUBCLASS

<u>Class Code</u>			
<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
314	93181		Housing Projects - Federal, State, Local - Apartment Houses - not three or four family dwellings
314	93182		Housing Projects - Federal, State, Local - Dwellings - four family
314	93183		Housing Projects - Federal, State, Local - Dwellings - three family
314	93184		Housing Project - Federal, State, Local - Dwellings - two family
314	93185		Housing Projects - Federal, State, Local - Private Residences
334		64500	Housing Projects - Federal, State, Local

EXHIBIT 7

SECURITY GUARDS LIABILITY

DETECTIVE OR INVESTIGATIVE AGENCIES LIABILITY (PRIVATE)

<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
313	73902		Detective or Patrol agencies
334		91636	Detective or Investigative agencies - private
334		98751	Security and Patrol agencies

EXHIBIT 6

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MUNICIPAL LIABILITY

SEWAGE TREATMENT PLANTS LIABILITY SUBCLASS

<u>Subline</u>	<u>Old</u>	<u>New</u>	<u>Description</u>
313	49521		Sewage Disposal - plant operation
334		98810	Sewage Treatment Plants

EXHIBIT 8

VOLUNTEER FIRE DEPARTMENTS AND RESCUE SQUADS LIABILITY

Subline	Class Code		Description
	Old	New	
314	93131		Firehouses
314	89970		Volunteer First Aid and Rescue Squads
334		43551*	Fire Departments - volunteer
334		40030	Ambulance Service, First Aid or Rescue Squads

* Including Volunteer Rescue Squads operated in connection with Fire Departments.

EXHIBIT 9

WATER TREATMENT PLANTS LIABILITY

Subline	Class Code		Description
	Old	New	
334		99943	Water Companies
313	49411		Water Works - including outside salesmen, collectors and meter readers

EXHIBIT 10A
1990 Zero Report

INSURER _____	NAIC # _____
Enter a zero beside the lines and/or subclassifications of liability insurance where you have no written premium in 1990.	
87001 Architects and Engineers Professional Liability	_____
87004 Directors and Officers Liability	_____
87006 Insurance Agents Professional Liability	_____
87008 Lawyers Professional Liability	_____
87010 Medical Professional Liability	_____
87013 Products and Completed Operations Liability	_____
87015 Real Estate Agents Professional Liability	_____
88022 Landfill Liability	_____
88030 Volunteer Fire Departments and Rescue Squads Liability	_____
88031 Water Treatment Plants Liability	_____
91001 Commercial Contractors Liability including Asbestos Abatement Contractors	_____
91002 Environmental Impairment Liability including Underground Storage Tank Liability	_____
91003 Municipal Liability including: Law Enforcement Agencies Liability Public Housing Liability Public Officials Errors and Omissions Liability School Board Errors and Omissions Liability Sewage Treatment Plants Liability	_____
91004 Detective or Investigative Agencies Liability (private) including Security Guards	_____

Signed: _____
 Print Name: _____
 Title: _____
 Telephone: _____
 Date: _____

EXHIBIT 10B
1991 Zero Report

INSURER _____	NAIC # _____
Enter a zero beside the lines and/or subclassifications of liability insurance where you have no written premium in 1991.	
87001 Architects and Engineers Professional Liability	_____
87004 Directors and Officers Liability	_____
87006 Insurance Agents Professional Liability	_____
87008 Lawyers Professional Liability	_____
87010 Medical Professional Liability	_____
87013 Products and Completed Operations Liability	_____
87015 Real Estate Agents Professional Liability	_____
88022 Landfill Liability	_____
88030 Volunteer Fire Departments and Rescue Squads Liability	_____
88031 Water Treatment Plants Liability	_____
91001 Commercial Contractors Liability including Asbestos Abatement Contractors	_____
91002 Environmental Impairment Liability including Underground Storage Tank Liability	_____
91003 Municipal Liability including: Law Enforcement Agencies Liability Public Housing Liability Public Officials Errors and Omissions Liability School Board Errors and Omissions Liability Sewage Treatment Plants Liability	_____
91004 Detective or Investigative Agencies Liability (private) including Security Guards	_____

Signed: _____
 Print Name: _____
 Title: _____
 Telephone: _____
 Date: _____

DISKETTE REQUEST FORM

Ms. LaToria Tookes
Insurance Analyst
Bureau of Insurance
Post Office Box 1157
Richmond, Virginia 23209

RE: Administrative Letter 1992-1 Supplemental Report
Diskette Requisition

Dear Ms. Tookes:

- Our computer system can use both 3 1/2" high density (1.4M) and 5 1/4" low density (360K) diskettes.
Yes No
- Our computer system requires that we use only:
3 1/2" high density (1.4M)
5 1/4" low density (360K)

Please forward the diskette program for the following company(s):
NOTE #1: All Companies licensed in Virginia for liability must be included on this list regardless of written premium size and even if the Company had no written premium for 1991.

NAIC	Company
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

MAIL DISKETTE TO: _____
(Please Type or Print) Name

_____ Title

_____ Address

_____ Phone Number _____ Date

State Corporation Commission

Bureau of Insurance

January 17, 1992

Administrative Letter 1992-2

TO: All Companies Licensed to Write Commercial Liability Insurance

RE: Report of Certain Liability Claims as Required by Virginia Code Section 38.2-2228.1 due September 1, 1992

Virginia Code Section 38.2-2228.1 requires that all liability claims for commercial liability insurance as defined in Sections 38.2-117 (Personal injury liability) and 38.2-118 (Property damage liability) be reported annually to the State Corporation Commission (SCC). The SCC Bureau of Insurance has developed the attached Exhibits ((1) general instructions and definitions, (2) exemption request form, (3) market definitions) and reporting forms that insurers should utilize to meet the data reporting requirement of the Code.

A separate report is required for each market definition by each insurer not exempt from the data reporting requirements. For the purposes of the data report, "insurer" shall mean an individual insurer or group of insurers under common ownership or control. A combined report must indicate it is a group report and include the group name and NAIC number as well as the name and NAIC number of each individual insurer comprising the group. The reports, or exemption forms must be filed by September 1, 1992.

Mutual assessment insurers are exempt from all reporting requirements. All other insurers with 1991 written premiums combined totaling \$100,000 or less for "Other Liability", "Products Liability" and "Medical Professional Liability" (lines 17, 18, and 11 respectively of page 14 of the Annual Statement) are exempt from the data reporting requirements. Insurers claiming the premium volume exemption should refer to Exhibit 1 for instructions on completing the exemption form (Exhibit 2).

Insurers shall report data in the detail prescribed by the report formats. If some information is not available, insurers should estimate appropriate figures to complete the report forms. Any insurer that is experiencing difficulty in completing typed reporting form numbers VCR1, VCR2, VCR3, VCR4, VCR5, and VCR6 may reproduce these forms, enlarging the size of the page but not changing the layout or format, in order to insure readability.

The market definitions provided in Exhibit 3 are to be used as a guide in defining specific markets which are required to be reported. Insurers should also report the required information for policies written under any comparable classification in use by the individual insurer.

Insurers who are members or subscribers of Insurance

Services Office (ISO) should contact their liaison officer for assistance regarding the computerized transmission of data. Other insurers not affiliated with ISO should write to the Property and Casualty Division of the Bureau of Insurance requesting assistance.

Should you have any questions, please direct them to:

LaToria H. Tookes
Insurance Analyst
Bureau of Insurance
P. O. Box 1157
Richmond, Virginia 23209
Telephone: (804) 371-8986

Virginia Code Section 38.2-218 provides that any person who knowingly or willfully violates any provision of the insurance laws shall be punished for each violation by a penalty of not more than \$5,000. Failure to file a substantially complete and accurate liability claims report by the due date may be considered a willful violation and subject to an appropriate penalty.

/s/ Steven T. Foster
Commissioner of Insurance

**EXHIBIT 1
GENERAL LIABILITY CLAIMS REPORTING
COMPLETION INSTRUCTIONS AND DEFINITIONS**

The following outline will assist insurers in properly completing the claims reports. Determine the applicable individual reporting method and follow the instructions for that section only. Insurers should review the definitions section at the end of this exhibit for further completion instructions.

Reports for all insurers regardless of reporting method must include the complete verbal name and NAIC number of each individual insurer. Group name and number are required if the reports are on a group basis. Be sure to list all insurers within the group.

Reports must be filed by September 1, 1992.

Determine the applicable reporting method and refer to the following specific instructions for that method.

I. EXEMPT INSURERS:

- A. If the insurer had no written premium in 1991 for Line 18 - Products Liability, Line 17 - Other Liability, and Line 11 - Medical Professional Liability as reported on page 14 of the annual statement, then only Exhibit 2 of this Administrative Letter must be filed. Please indicate in the "Zero Premium" column A of Exhibit 2 all of the lines with no written premiums.
- B. If the insurer had a combined written premium in 1991 totaling \$100,000 or less for Line 17 - Other Liability, Line 18 - Products Liability, and Line 11 - Medical Professional as reported on page 14 of the annual statement, file only Exhibit 2. Indicate those lines with written premiums and those lines with no written premiums by checking the appropriate Column of Exhibit 2.
- C. Mutual Assessment insurers are exempt from the data reporting requirements and no further action regarding this Administrative Letter is required.

NOTE: Insurers exempted under A or B above must file Exhibit 2 by September 1, 1992 to record the exemption from the data reporting requirements.

II. INSURERS USING ISO MAGNETIC TAPE REPORTING SERVICES:

- A. The ISO Liaison Officer will be the insurers contact for the procurement of these services.

- B. Tapes submitted from ISO must be clearly labeled with the names and NAIC numbers of all of the insurers for which data is included on the tape. This label must be attached to the tape reel.
- C. Any corrections to the tape data submitted must be made on the ISO paper reports that accompany the tapes. All reports with corrections made must be clearly noted in red ink on the first page of the corrected report.
- D. Complete Exhibit 2 to indicate those market definitions with no written premiums in 1991. All other market definitions should be reported by ISO on the tape.
- E. The tape, Exhibit 2, and the corrected paper reports, if any, must be filed by September 1, 1992. Failure to submit by this date may subject the insurer to penalties as outlined in the Administrative Letter.

III. INSURERS REPORTING ON PAPER (VCRI-6):

- A. Do not change the report layout or format. The form may be enlarged to ensure readability and to ease completion.
- B. Only one report should be submitted per market definition and per coverage type. Coverage types are shown on VCRI (1/92) and market definitions are shown in Exhibit 3. Do not combine markets or sublines and do not separate classifications within a market definition.
- C. Deductible and non-deductible liability data should be combined within market definitions.
- D. Bodily Injury, Property Damage, and Medical payments should be combined within market definitions.
- E. Complete Exhibit 2 to indicate those market definitions with no written premiums in 1991.
- F. The reports and Exhibit 2 must be filed by September 1, 1992. Failure to submit by this date may subject Insurers to penalties as outlined in the Administrative Letter.

IV. INSURERS REPORTING ON DISKETTE

- A. A diskette containing the requested information will not be accepted from any insurer for the 1991 reports.

**EXHIBIT 2
EXEMPTION REQUEST FORM**

INSURER _____ NAIC # _____

Check Column A when you had no written premium in 1991. Check Column B when you had 1991 written premiums of \$100,000, or less, for "Other Liability", "Medical Professional Liability", and "Products Liability" combined (lines 17, 18, and 11 respectively of page 14 of the Annual Statement).

**VIRGINIA LIABILITY CLAIMS REPORT
DEFINITIONS**

Calendar Year Earned Premium

Report premium that is earned during the Calendar year beginning January 1st and ending December 31st for each year.

Incurred But Not Reported (IBNR) Loss and Allocated Loss Adjustment Expenses

Report IBNR loss and allocated loss adjustment expense reserves segregated by year of accident or occurrence at annual intervals for each accident year. IBNR is the amount held in reserve for claims which have occurred, but have not yet been reported, plus the amount held in reserve for the deficiency (or redundancy) of known case reserves. It is the estimated ultimate incurred loss and allocated loss adjustment expenses for each accident year as of the particular evaluation date minus the incurred loss and allocated loss adjustment expenses for all reported accidents as of the particular evaluation date.

Evaluation Dates

Report data on a cumulative basis for the evaluation points indicated up to 108 months for IBNR (VCR6) and 114 months for all other (VCR 2-5) requested information. The Data should be evaluated as of June 30, 1991 for all data items unless otherwise specified in the question.

Market Definitions

The attached Insurance Services Office (ISO) Commercial Statistical Plan (CSP) subline and classification codes are to be used as a guide in defining specific markets which are required to be reported. Insurers should also report the required premium and loss data written under any comparable classification in use by the individual insurer.

Attorney's Fees

Attorney's fees are all expenses billed by an attorney to the insurer including hourly billings, expert or other witnesses, stenographic, summons and copies of documents.

Column A Zero Premium	Column B Less Than \$100,000
-----------------------------	------------------------------------

C0001	OWNERS LANDLORDS AND TENANTS INCLUDING STOREKEEPERS' LIABILITY	_____	_____
C0011	MANUFACTURERS AND CONTRACTORS LIABILITY	_____	_____
C0022	PREMISES/OPERATIONS LIABILITY	_____	_____
C0023	LIQUOR LIABILITY	_____	_____
C0024	PROFESSIONAL LIABILITY OTHER THAN MEDICAL AND LAWYERS	_____	_____
C0030	LAWYERS PROFESSIONAL LIABILITY	_____	_____
C0031	DIRECTORS AND OFFICERS LIABILITY	_____	_____
C0032	ENVIRONMENTAL IMPAIRMENT LIABILITY	_____	_____
C0033	PRODUCTS AND COMPLETED OPERATIONS LIABILITY	_____	_____
C0034	CONTRACTUAL LIABILITY	_____	_____
C0035	OWNERS AND CONTRACTORS PROTECTIVE LIABILITY	_____	_____
C0036	COMMERCIAL UMBRELLA LIABILITY	_____	_____
C0037	MEDICAL PROFESSIONAL LIABILITY	_____	_____
C0099	ALL OTHER COMMERCIAL LIABILITY NOT REPORTED IN ANY OF THE ABOVE MARKETS INCLUDING COMPOSITE RATED RISKS AND EXCESS INSURANCE NOT INCLUDED IN C0036	_____	_____

Signed: _____ Title: _____
 Telephone: _____ Print Name: _____
 Date: _____

EXHIBIT 3

Market Definitions
Commercial Statistical Plan
(CSP) Classes

Market Number and Name	Market Definitions Commercial Statistical Plan (CSP) Classes
C0001 OWNERS LANDLORDS AND TENANTS INCLUDING STOREKEEPERS' LIABILITY	All Subline 314 Classes and 326 Classes
C0011 MANUFACTURERS AND CONTRACTORS LIABILITY	All Subline 313 Classes
C0022 PREMISES/OPERATIONS LIABILITY	All Subline 334 Classes
C0023 LIQUOR LIABILITY	All Subline 312 and 332 Classes
C0024 PROFESSIONAL LIABILITY OTHER THAN MEDICAL AND LAWYERS	All Subline 317 Classes
C0030 LAWYERS PROFESSIONAL LIABILITY	Subline 317 Classes 81220, 81113, 81330, 81114, 81400, and 81420.
C0031 DIRECTORS AND OFFICERS LIABILITY	73140, 73144, 73145 (Subline 317)
C0032 ENVIRONMENTAL IMPAIRMENT LIABILITY	Subline 325 Class 90000, and Subline 350 Classes 90100, 90105, and 90110
C0033 PRODUCTS AND COMPLETED OPERATIONS LIABILITY	All Subline 316 and 336 Classes
C0034 CONTRACTUAL LIABILITY	All Subline 311 Classes and Vehicle Service Contracts
C0035 OWNERS AND CONTRACTORS PROTECTIVE LIABILITY	All Subline 315 and 335 Classes
C0036 COMMERCIAL UMBRELLA LIABILITY	99935 (Subline 325)
C0037 MEDICAL PROFESSIONAL LIABILITY	All Subline 210, 220, 230 240, 250, 260, 270 and 280 Classes
C0099 ALL OTHER COMMERCIAL LIABILITY NOT REPORTED IN ANY OF THE ABOVE MARKETS INCLUDING COMPOSITE RATED RISKS AND EXCESS INSURANCE NOT INCLUDED IN C0036	All Subline 325 Classes not reported above All Subline 322, 323, 324, 342, 343 and 344 Classes All Commercial General liability excess classes not including excess auto or excess WC

ANNUAL REPORT OF VIRGINIA COMMERCIAL LIABILITY CLAIMS
AS REQUIRED BY SECTION 38.2-222B.1 OF THE CODE OF VIRGINIA

Insurer: _____ COMPANY NAIC # _____
 Address: _____ (and if Group Report GROUP NAIC#) _____

Coverage Code

(Please check one only)

- 1. Claims Made
- 2. Claims Made Tail Coverage
- 3. Occurrence
- 4. Claims Made - No retroactive date
- 5. Claims Made Tail - No retroactive date

This report is due September 1, 1992. For each market described in the attached, provide the information requested for the State of Virginia.

1. Market number and description (see Exhibit 3) _____
 (\$000 omitted)

	1985	1986	1987	1988	1989	1990	6 months 1991
2. Calendar year earned premium.	_____	_____	_____	_____	_____	_____	_____
3. Total amount of attorney's fees paid in connection with the claim(s) to the extent these amounts are known (evaluated as of 3/31/91 on an accident year basis).	_____	_____	_____	_____	_____	_____	XXX
4. Total amount of paid and outstanding unallocated loss adjustment expense in connection with the claim(s) to the extent these amounts are known (evaluated as of 3/31/91 on an accident year basis).	_____	_____	_____	_____	_____	_____	XXX

5. Signed: _____ 6. Title: _____
 Telephone: _____ Print Name: _____
 Date: _____

VMK1(1/92)

State Corporation Commission

VIRGINIA LIABILITY CLAIMS REPORT

Coverage

Code

(Please check one only)

- 1. Claims Made
- 2. Claims Made Tail Coverage
- 3. Occurrence
- 4. Claims Made - No retroactive date
- 5. Claims Made Tail - No retroactive date

Insurer
NAIC # or GROUP # _____

7. Market _____
(from #1 on VCR1)

8. For accident years beginning with 1982, list the cumulative paid loss and allocated loss adjustment expense at the various points in time.

PAID LOSS AND ALLOCATED LOSS ADJUSTMENT EXPENSES EVALUATED AS OF:

(\$000 Omitted)

Accident Year	6 Mos	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60
1982	XXX																	
1983	XXX																	
1984	XXX																	
1985	XXX																	
1986	XXX																	
1987	XXX																	
1988	XXX																	
1989	XXX																	
1990	XXX																	
1991																		

Accident Year	63	66	69	72	75	78	81	84	87	90	93	96	99	102	105	108	111	114
1982																		
1983																		
1984																		
1985																		
1986																		
1987																		
1988																		
1989																		
1990																		
1991																		

VCR2(1/92)

VIRGINIA LIABILITY CLAIMS REPORT

Coverage

Code

(Please check one only)

- 1. Claims Made
- 2. Claims Made Tail Coverage
- 3. Occurrence
- 4. Claims Made - No retroactive date
- 5. Claims Made Tail - No retroactive date

Insurer
NAIC # or GROUP # _____

Market _____
(from #1 on VCR1)

9. For accident years beginning with 1982, list the case outstanding loss and allocated loss adjustment expense (excluding BNR) at the various points in time.

CASE OUTSTANDING LOSS AND ALLOCATED LOSS ADJUSTMENT EXPENSES EVALUATED AS OF:

(\$000 Omitted)

Accident Year	6 Mos	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60
1982	XXX																	
1983	XXX																	
1984	XXX																	
1985	XXX																	
1986	XXX																	
1987	XXX																	
1988	XXX																	
1989	XXX																	
1990	XXX																	
1991																		

Accident Year	63	66	69	72	75	78	81	84	87	90	93	96	99	102	105	108	111	114
1982																		
1983																		
1984																		
1985																		
1986																		
1987																		
1988																		
1989																		
1990																		
1991																		

VCR3(1/92)

State Corporation Commission

VIRGINIA LIABILITY CLAIMS REPORT

Coverage

Insurer
NAIC # or GROUP # _____

- Code
(Please check one only)
- 1. Claims Made
 - 2. Claims Made Tail Coverage
 - 3. Occurrence
 - 4. Claims Made - No retroactive date
 - 5. Claims Made Tail - No retroactive date

10. Market _____
(from #1 on VCR1)

11. For accident years beginning with 1982, list the cumulative incurred loss and allocated loss adjustment expense (excluding IBNR) at the various points in time. (sum of 8 and 9).

INCURRED LOSS AND ALLOCATED LOSS ADJUSTMENT EXPENSES EVALUATED AS OF:

(\$000 Omitted)

Accident Year	6 Mos	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60
1982	XXX																	
1983	XXX																	
1984	XXX																	
1985	XXX																	
1986	XXX																	
1987	XXX																	
1988	XXX																	
1989	XXX																	
1990	XXX																	
1991																		

Accident Year	63	66	69	72	75	78	81	84	87	90	93	96	99	102	105	108	111	114
1982																		
1983																		
1984																		
1985																		
1986																		
1987																		
1988																		
1989																		
1990																		
1991																		

VCR4(1/92)

VIRGINIA LIABILITY CLAIMS REPORT

Coverage

Insurer
NAIC # or GROUP # _____

- Code
(Please check one only)
- 1. Claims Made
 - 2. Claims Made Tail Coverage
 - 3. Occurrence
 - 4. Claims Made - No retroactive date
 - 5. Claims Made Tail - No retroactive date

Market _____
(from #1 on VCR1)

12. For accident years beginning with 1982, list the cumulative number of incurred claims at the various points in time.

ACTUAL NUMBER OF INCURRED CLAIMS AS OF:

Accident Year	6 Mos	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60
1982	XXX																	
1983	XXX																	
1984	XXX																	
1985	XXX																	
1986	XXX																	
1987	XXX																	
1988	XXX																	
1989	XXX																	
1990	XXX																	
1991																		

Accident Year	63	66	69	72	75	78	81	84	87	90	93	96	99	102	105	108	111	114
1982																		
1983																		
1984																		
1985																		
1986																		
1987																		
1988																		
1989																		
1990																		
1991																		

VCR5(1/92)

State Corporation Commission

VIRGINIA LIABILITY CLAIMS REPORT

Coverage

Insurer
NAIC # or GROUP # _____

- Code
(Please check one only)
1. Claims Made
 2. Claims Made Tail Coverage
 3. Occurrence
 4. Claims Made - No retroactive date
 5. Claims Made Tail - No retroactive date

13. Market _____
(from #1 on VCR1)

14. For accident years beginning with 1982, list the IBNR for loss and allocated loss adjustment expense for each evaluation.

INCURRED BUT NOT REPORTED (IBNR) LOSS AND ALLOCATED:
LOSS ADJUSTMENT EXPENSE EVALUATED AS OF:

(\$000 Omitted)

Accident Year	12 Mos	24	36	48	60	72	84	96	108
1982									
1983									
1984									
1985									
1986									
1987									
1988									
1989									
1990									
1991									

VCR6(1/92)

State Corporation Commission

Bureau of Insurance

January 21, 1992

Administrative Letter 1992-3

TO: To All Insurance Companies Licensed in Virginia

RE: Requirements for Reinsurers Desiring to Qualify as Acceptable Reinsurers under Virginia Code Section 38.2-1316.2 or 38.2-1316.3

The reinsurance provisions in Chapter 13 of the Virginia Insurance Code (Title 38.2 of the Code of Virginia, 1950, as amended) were changed by the 1991 Session of the Virginia General Assembly. The provisions of § 38.2-1316 were replaced by Article 3.1 of Chapter 13. All cessions made under reinsurance agreements which have an inception, anniversary, or renewal date on or after January 1, 1992 will be subject to the new requirements of Article 3.1.

In accordance with Article 3.1, an insurer licensed in Virginia is allowed credit for a reinsurance transaction if the assuming insurer specifically qualifies under the new provisions of the law. Additionally, the reinsurance agreement itself must satisfy the conditions set forth in § 38.2-1316.5. Even if the assuming insurer is a qualified reinsurer and the reinsurance agreement satisfies the conditions of § 38.2-1316.5, credit shall be disallowed if there is any indication of financial statement distortion, or if the assuming insurer bears no substantial insurance risk or net loss to itself.

This letter sets forth basic criteria which the Bureau of Insurance will use to determine whether a ceding insurer may take credit pursuant to § 38.2-1316.2 or § 38.2-1316.3. It explains how an assuming insurer can be recognized in Virginia as a qualified reinsurer. It puts into context the responsibilities of ceding insurers licensed in Virginia in regard to their assuming insurers.

ASSUMING INSURER QUALIFICATIONS:

Reinsurers qualifying under § 38.2-1316.2 or § 38.2-1316.3 must satisfy minimum financial standards. An assuming insurer may demonstrate this by qualifying under one of the following classifications:

I. When the ceding insurer is a domestic ceding insurer:

A. Licensed in Virginia as an insurer in good standing (§ 38.2-1316.2.A.1).

B. Accredited in Virginia as an accredited reinsurer with surplus of at least \$20,000,000, or in the case of a U.S. branch of an alien assuming insurer, trustee surplus of at least \$20,000,000 (§ 38.2-1316.2.A.2).

C. Licensed and domiciled in a state with credit for reinsurance laws substantially similar to Virginia's credit

for reinsurance laws, and having surplus of at least \$20,000,000, or trustee surplus of \$20,000,000, in the case of a U.S. branch of an alien assuming insurer (§ 38.2-1316.2.A.3).

D. Recognition as a single assuming insurer with a qualifying trust account and trustee surplus of at least \$20,000,000 (§ 38.2-1316.2.A.4.(a)).

E. Qualified participation in a group of individual unincorporated underwriters with a qualifying trust account and trustee surplus of at least \$100,000,000 (§ 38.2-1316.2.A.4.(b)).

F. Qualified participation in an experienced group of incorporated insurers with aggregate policyholders' surplus of at least \$10,000,000,000, a qualifying trust account, and a joint trustee surplus of at least \$100,000,000 (§ 38.2-1316.2.A.4.(c)).

II. When the ceding insurer is a foreign or alien ceding insurer:

A. Licensed in Virginia as an insurer in good standing (§ 38.2-1316.3.A.1).

B. Accredited in Virginia as an accredited reinsurer with surplus of at least \$20,000,000, or in the case of a U.S. branch of an alien assuming insurer, trustee surplus of at least \$20,000,000 (§ 38.2-1316.3.A.1).

C. Licensed in another state and having a surplus of at least \$20,000,000, or in the case of a U.S. branch of an alien assuming insurer, trustee surplus of at least \$20,000,000 (§ 38.2-1316.3.A.2).

D. Recognition as a single assuming insurer with a qualifying trust account and trustee surplus of at least \$20,000,000 (§ 38.2-1316.3.A.3).

E. Qualified participation in a group of individual unincorporated underwriters with a qualifying trust account and trustee surplus of at least \$100,000,000 (§ 38.2-1316.3.A.3).

F. Qualified participation in an experienced group of incorporated insurers with aggregate policyholders' surplus of at least \$10,000,000,000, a qualifying trust account, and a joint trustee surplus of at least \$100,000,000 (§ 38.2-1316.3.A.3).

Filing requirements for assuming insurers desiring to qualify as reinsurers under the above classifications are attached. Also attached is a copy of the certificate of assuming insurer, which must accompany specific requests for recognition as an acceptable reinsurer in Virginia under applicable provisions of Article 3.1. Please note: Although there are no specific filing requirements for assuming insurers qualifying under item II, C above, the Bureau of Insurance reserves the right to require information be filed in order to verify that such reinsurers

State Corporation Commission

of licensed companies are acceptable.

RESPONSIBILITIES OF THE CEDING INSURER

Ceding insurers are responsible for ensuring the validity of any credit reported on their financial statements. A ceding insurer should be able to assign each of its assuming insurers to one of the above classifications of qualifying reinsurers upon request. If the ceding insurer cannot identify its assuming insurer as falling into one of the classifications cited above, the reinsurance transaction should be effected or secured in a manner that satisfies § 38.2-1316.4.1 or § 38.2-1316.4.2, respectively.

Any questions regarding the contents of this letter should be directed to:

Gregory D. Walker, CPA
Insurance Auditor
Financial Analysis Section
Bureau of Insurance
P.O. Box 1157
Richmond, VA 23209
(804) 786-4604

/s/ Steven T. Foster
Commissioner of Insurance

RE: REQUIREMENTS FOR ACCREDITED REINSURERS

In order to obtain accreditation pursuant to Virginia Code §§ 38.2-1316.2.A.2 and 38.2-1316.3.A.1, a foreign assuming insurer must have surplus to policyholders of not less than \$20,000,000, or in the case of a U.S. branch of an alien assuming insurer, have trustee surplus of not less than \$20,000,000. In either case the following items must be submitted to the Bureau of Insurance:

1. A properly executed certificate of assuming insurer in triplicate (form attached);
2. A certified copy of a certificate of authority, license, certificate of compliance, or other evidence that the assuming insurer is licensed to transact insurance or reinsurance in at least one state, or in the case of a U.S. branch of an alien assuming insurer, is entered through and licensed to transact insurance or reinsurance in at least one state;
3. A copy of the assuming insurer's Annual Statement for the preceding calendar year and Quarterly Statement for the most recent quarter ended in the current calendar year. Both statements must bear signatures of the officers and a notary public along with a notarial seal. Unless otherwise provided in Title 38.2 of the Code of Virginia, or by any applicable rule, regulation or administrative letter, both statements are to be prepared in accordance with the applicable instructions and the applicable Accounting Practices and Procedures Manual adopted by the

National Association of Insurance Commissioners. All schedules and exhibits must be attached;

4. A copy of the assuming insurer's statement of trustee surplus, if the assuming insurer is a U.S. branch of an alien assuming insurer;
5. A copy of the most recent audited financial report; and
6. Any additional information, certifications or reports as the Bureau of Insurance determines to be necessary to verify the license status or financial condition of the assuming insurer.

The Bureau of Insurance intends to act on all requests for recognition under Virginia Code §§ 38.2-1316.2.A.2 and 38.2-1316.3.A.1 within a reasonable time frame. The failure to respond within ten (10) days to any request by the Bureau of Insurance for additional documents or clarification shall be considered grounds for refusing to recognize the assuming insurer as an accredited reinsurer.

All items should be submitted at one time to:

Gregory D. Walker, CPA, Insurance Auditor
Financial Analysis Section
State Corporation Commission/Bureau of Insurance
P. O. Box 1157
Richmond, Virginia 23209
(804) 786-4604

RE: REQUIREMENTS FOR SUBSTANTIALLY SIMILAR REINSURERS (ONLY APPLICABLE WHEN RISKS ARE ASSUMED FROM CEDING INSURERS DOMICILED IN VIRGINIA)

In order to obtain status as a substantially similar reinsurer pursuant to Virginia Code § 38.2-1316.2.A.3, a foreign assuming insurer must have surplus to policyholders of not less than \$20,000,000, or in the case of a U.S. branch of an alien assuming insurer, have trustee surplus of not less than \$20,000,000. Substantially similar standards means standards regarding credit for reinsurance which the Bureau of Insurance determines equal or exceed the standards of Virginia. The surplus requirement for a foreign assuming insurer shall be deemed waived when reinsurance is ceded and assumed pursuant to pooling arrangements among insurers in the same holding company system. The following items must be submitted to the Bureau of Insurance:

1. A properly executed certificate of assuming insurer in triplicate (form attached);
2. A certified copy of a certificate of authority, license, certificate of compliance or other evidence that the assuming insurer is licensed to transact insurance or reinsurance in at least one state, or in the case of a U.S. branch of an alien assuming

State Corporation Commission

insurer, is entered through and licensed to transact insurance or reinsurance in at least one state;

3. A copy of the assuming insurer's Annual Statement for the preceding calendar year and Quarterly Statement for the most recent quarter ended in the current calendar year. Both statements must bear signatures of the officers and a notary public along with a notarial seal. Unless otherwise provided in Title 38.2 of the Code of Virginia, or by any applicable rule, regulation or administrative letter, both statements are to be prepared in accordance with the applicable instructions and the applicable Accounting Practices and Procedures Manual adopted by the National Association of Insurance Commissioners. All schedules and exhibits must be attached;

4. A copy of the assuming insurer's statement of trusteed surplus, if a U.S. branch of an alien assuming insurer;

5. A copy of the most recent audited financial report;

6. A memorandum explaining how the credit for reinsurance standards of the assuming insurer's state of domicile or entry are substantially similar to Virginia's credit for reinsurance standards;

7. A copy of the statutes, regulations, and interpretations of the standards utilized by the state of domicile or entry of the assuming insurer, which support the basis for requesting the status of a substantially similar reinsurer; and

8. Any additional information, certifications or reports of the assuming insurer as the Bureau of Insurance determines are necessary to verify the status or financial condition of the assuming insurer.

The Bureau of Insurance intends to act on all requests for recognition under Virginia Code § 38.2-1316.2.A.3 within a reasonable time frame. The failure to respond within ten (10) days to any request by the Bureau of Insurance for additional documents or clarification shall be considered grounds for refusing to recognize the assuming insurer as a substantially reinsurer.

All items should be submitted at one time to:

Gregory D. Walker, CPA, Insurance Auditor
Financial Analysis Section
State Corporation Commission/Bureau of Insurance
P. O. Box 1157
Richmond, Virginia 23209
(804) 786-4604

RE: REQUIREMENTS FOR A TRUSTEED REINSURER:
SINGLE ASSUMING INSURER

In order to be considered for status as a trusteed

reinsurer pursuant to Virginia Code §§ 38.2-1316.2.A.4.(a) and 38.2-1316.3.A.3, a single assuming insurer must maintain a trust fund in a qualified United States financial institution for the payment of valid claims of its United States policyholders and ceding insurers, their assigns and successors in interest. The trust must consist of a trust account representing the assuming insurer's liabilities attributable to business written in the United States, and in addition, the assuming insurer shall maintain a trusteed surplus of not less than \$20,000,000. The following items must be submitted to the Bureau of Insurance:

1. A properly executed certificate of assuming insurer in triplicate (form attached);

2. A copy of the trust agreement pertaining to the requisite trust funds along with a statement identifying and locating the specific provisions in the agreement which satisfy the form of trust requirements set forth in Virginia Code §38.2-1316.2.B;

3. A certified statement from the trustee of the trust listing the assets in the trust;

4. A certified statement and accounting of trusteed surplus executed by a duly authorized officer or representative of the trusteed assuming insurer;

5. Information substantially the same as that required to be reported on the NAIC Annual Statement form by licensed insurers, to enable the Bureau of Insurance to determine the sufficiency of the trust fund; and

6. A certified English translation of any foreign language documents filed.

Pursuant to Virginia Code §38.2-1316.2, subsection B, the trust referred to above must contain the following conditions:

1. Contested claims shall be valid and enforceable out of funds in trust to the extent remaining unsatisfied thirty (30) days after entry of the final order of any court of competent jurisdiction in the United States;

2. Legal title to the assets of the trust shall be vested in the trustee for the benefit of the grantor's United States policyholders and ceding insurers, their assigns and successors in interest;

3. The trust and the assuming insurer shall be subject to examination as determined by the State Corporation Commission;

4. The trust shall remain in effect for as long as the assuming insurer, or any member or former member of a group of insurers, shall have outstanding obligations under reinsurance agreements subject to the trust; and

5. No later than February 28 of each year the trustees

State Corporation Commission

of the trust shall report to the Bureau of Insurance in writing the balance of the trust; list the trust's investments at the preceding year end; and certify the date of termination of the trust, if so planned, or certify that the trust shall not expire prior to the next following December 31.

The Bureau of Insurance intends to act on all requests for recognition under Virginia Code §§ 38.2-1316.2.A.4.(a) and 38.2-1316.3.A.3 within a reasonable time frame. The failure to respond within ten (10) days to any request by the Bureau of Insurance for additional documents or clarification shall be considered grounds for refusing to recognize the assuming insurer as a trustee reinsurer.

All items should be submitted at one time to:

Gregory D. Walker, CPA, Insurance Auditor
Financial Analysis Section
State Corporation Commission/Bureau of Insurance
P. O. Box 1157
Richmond, Virginia 23209
(804) 786-4604

RE: REQUIREMENTS FOR TRUSTEED REINSURER: GROUP OF INDIVIDUAL UNINCORPORATED UNDERWRITERS

In order to be considered for status as a trustee reinsurer pursuant to Virginia Code §§ 38.2-1316.2.A.4.(b) and 38.2-1316.3.A.3, a group of individual unincorporated underwriters must maintain a trust fund in a qualified United States financial institution for the payment of valid claims of its United States policyholders and ceding insurers, their assigns and successors in interest. The trust must consist of a trustee account representing the assuming insurer's liabilities attributable to business written in the United States, and in addition, the assuming shall maintain a trustee surplus of not less than \$100,000,000. The following items must be submitted to the Bureau of Insurance:

1. A properly executed certificate of assuming insurer in triplicate (form attached);
2. A copy of the trust agreement pertaining to the requisite trust funds along with a statement identifying and locating the specific provisions in the agreement which satisfy the form of trust requirements set forth in Virginia Code § 38.2-1316.2.B;
3. A certified statement from the trustee of the trust listing the assets in the trust;
4. A certified statement and accounting of trustee surplus executed by a duly authorized officer or representative of the trustee assuming insurer;
5. Information substantially the same as that required to be reported on the NAIC Annual Statement form by

licensed insurers, to enable the Bureau of Insurance to determine the sufficiency of the fund;

6. Annual certifications of the solvency of each underwriting member of the group, prepared by the group's domiciliary regulator and its independent accountant; and

7. A certified English translation for any foreign language documents filed.

Pursuant to Virginia Code § 38.2-1316.2.B, the trust referred to above must contain the following conditions:

1. Contested claims shall be valid and enforceable out of funds in trust to the extent remaining unsatisfied thirty (30) days after entry of the final order of any court of competent jurisdiction in the United States;

2. Legal title to the assets of the trust shall be vested in the trustee for the benefit of the grantor's United States policyholders and ceding insurers, their assigns and successors in interest;

3. The trust and the assuming insurer shall be subject to examination as determined by the State Corporation Commission;

4. The trust shall remain in effect for as long as the assuming insurer, or any member or former member of a group of insurers, shall have outstanding obligations under reinsurance agreements subject to the trust; and

5. No later than February 28 of each year the trustees of the trust shall report to the Bureau of Insurance in writing the balance of the trust and listing the trust's investments at the preceding year end and shall certify the date of termination of the trust, if so planned, or certify that the trust shall not expire prior to the next following December 31.

The Bureau of Insurance intends to act on all requests for recognition under Virginia Code §§ 38.2-1316.2.A.4 and 38.2-1316.3.A.3.(b) within a reasonable time frame. The failure to respond within ten (10) days to any request by the Bureau of Insurance for additional documents or clarification shall be considered grounds for refusing to recognize the assuming insurer as a trustee reinsurer.

All items should be submitted at one time to:

Gregory D. Walker, CPA, Insurance Auditor
Financial Analysis Section
State Corporation Commission/Bureau of Insurance
Box 1157
Richmond, Virginia 23209
(804) 786-4604

RE: REQUIREMENTS FOR A TRUSTEED REINSURER:

GROUP OF INDIVIDUAL INCORPORATED UNDERWRITERS

In order to be considered for status as a trustee reinsurer pursuant to Virginia Code §§ 38.2-1313.2.A.4.(c) and 38.2-1316.3.A.3, a group of individual unincorporated underwriters must maintain a trust fund in a qualified United States financial institution for the payment of valid claims of its United States policyholders and ceding insurers, their assigns and successors in interest. The trust must consist of a trust account representing the assuming insurer's liabilities attributable to business written in the United States, and in addition, the assuming insurer shall maintain a trustee surplus of not less than \$100,000,000. The following items must be submitted to the Bureau of Insurance:

1. A properly executed certificate of assuming insurer in triplicate (form attached);
2. A copy of the trust agreement pertaining to the requisite trust funds along with a statement identifying and locating the specific provisions in the agreement which satisfy the form of trust requirements set forth in Virginia Code §38.2-1316.2.B;
3. A certified statement from the trustee of the trust listing the assets in the trust;
4. A certified statement and accounting of trustee surplus executed by a duly authorized officer or representative of the trustee assuming insurer;
5. Information substantially the same as that required to be reported on the NAIC Annual Statement form by licensed insurers, to enable the Bureau of Insurance to determine the sufficiency of the trust fund;
6. Annual certifications of the solvency of each underwriting member of the group, prepared by the group's domiciliary regulator and its independent accountant;
7. Evidence of submission to the State Corporation Commission's authority to examine the books and records of any member of the group;
8. Certification that any member examined will bear the expense of any such examination; and
9. A certified English translation of any foreign language documents filed.

Pursuant to Virginia Code § 38.2-1316.2.B, the trust referred to above must contain the following conditions:

1. Contested claims shall be valid and enforceable out of funds in trust to the extent remaining unsatisfied thirty (30) days after entry of the final order of any court of competent jurisdiction in the United States;

2. Legal title to the assets of the trust shall be vested in the trustee for the benefit of the grantor's United States policyholders and ceding insurers, their assigns and successors in interest;

3. The trust and the assuming insurer shall be subject to examination as determined by the State Corporation Commission;

4. The trust shall remain in effect for as long as the assuming insurer, or any member or former member of a group of insurers, shall have outstanding obligations under reinsurance agreements subject to the trust; and

5. No later than February 28 of each year the trustees of the trust shall report to the Bureau of Insurance in writing the balance of the trust and listing the trust's investments at the preceding year end and shall certify the date of termination of the trust, if so planned, or certify that the trust shall not expire prior to the next following December 31.

The Bureau of Insurance intends to act on all requests for recognition under Virginia Code §§ 38.2-1316.2.A.4 and 38.2-1316.3.A.3.(c) within a reasonable time frame. The failure to respond within ten (10) days to any request by the Bureau of Insurance for additional documents or clarification shall be considered grounds for refusing to recognize the assuming insurer as a trustee reinsurer.

All items should be submitted at one time to:

Gregory D. Walker, CPA, Insurance Auditor
Financial Analysis Section
State Corporation Commission/Bureau of Insurance
P. O. Box 1157
Richmond, Virginia 23209
(804) 786-4604

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
BUREAU OF INSURANCE
P.O. BOX 1157
RICHMOND, VA 23209
CERTIFICATE OF ASSUMING INSURER

PART I: IDENTIFYING DATA

State of Domicile or Entry _____ NAIC Number _____
Name of Assuming Insurer _____
Statutory Home Office (Street Address, City, State, and Zip Code) _____
Main Administrative Office (Street Address, City, State, Zip Code) _____
Mailing Address (Street or P.O. Box, City, State, Zip Code) _____
Contact Person for Regulatory Mail _____ Area Code/Telephone Number _____

PART II: AFFIDAVIT AND SUBMISSIONS

I, _____ (name of officer) _____ (title)

of _____, the assuming insurer under a reinsurance agreement(s) with one or more insurers domiciled in the Commonwealth of Virginia, request verification from the State Corporation Commission of the Commonwealth of Virginia ("Commission") of authorization pursuant to Title 38.2 of the Code of Virginia as the following type of assuming insurer (check one):

- Accredited Reinsurer 88 38.2-1316.2.A.2 & 38.2-1316.3.A.1
- Substantially Similar Reinsurer 8 38.2-1316.2.A.3
- Trusteed Reinsurer (S) 88 38.2-1316.2.A.4.(a) & 38.2-1316.3.A.3
- Trusteed Reinsurer (U) 88 38.2-1316.2.A.4.(b) & 38.2-1316.3.A.3
- Trusteed Reinsurer (I) 88 38.2-1316.2.A.4.(c) & 38.2-1316.3.A.3

and in support thereof (i) verify the accuracy of the above identifying data and (ii) certify to the Commission that ("the Assuming Insurer"):

- 1. Is licensed to transact insurance or reinsurance in its state of domicile or entry.
- 2. Is in good standing in its state of domicile or entry.

- continued -

3. Reports its financial condition (statutory basis) as of _____ 19____ (end of most recent calendar year) to be as follows:

Liabilities: _____
Surplus to Policyholders: _____
Total Admitted Assets: _____
Trusteed Surplus (Alien Reinsurer Only): _____

- 4. Submits to the jurisdiction of any court of competent jurisdiction in the Commonwealth of Virginia for the adjudication of any issues arising out of the reinsurance agreement(s), agrees to comply with all requirements necessary to give such court jurisdiction, and will abide by the final decision of such court or any appellate court in the event of an appeal. Nothing in this paragraph constitutes or should be understood to constitute a waiver of Assuming Insurer's rights to commence an action in any court of competent jurisdiction in the United States, to remove as action to a United States District Court, or to seek a transfer of a case to another court as permitted by the laws of the United States or of any state in the United States. This paragraph is not intended to conflict with or override the obligation of the parties to the reinsurance agreement(s) to arbitrate their disputes if such an obligation is created in the agreement(s).
- 5. Designates and appoints the Clerk of the Commission, and his successor or successors, in office, as its lawful attorney upon whom may be served any lawful process in any action, suit or proceeding arising out of the reinsurance agreement(s) instituted by or on behalf of the ceding insurer.
- 6. Submits to the authority of the Commission make or direct to be made an examination into its affairs, including its books and records and agrees further to bear the expense of any such examination.
- 7. Submits with this form a current list of insurers domiciled in the Commonwealth of Virginia reinsured by Assuming Insurer and undertakes to submit additions to or deletions from the list to the Commission and its Bureau of Insurance on or before March 1 of each year, or, if requested by the Commission, at least once per calendar quarter.

By: _____ (Assuming Insurer) _____ (Date)

(Officer) _____ (Title)

(Assuming Insurer's Seal)

Sworn to and subscribed before me this _____ day of _____, 19____

Notary Public

State Corporation Commission

January 27, 1992

Notice of a Rulemaking to Consider the
Appropriate Accounting and Ratemaking
Treatment for Postretirement Benefits
Other than Pensions
Case No. PUE920003

The Purpose of the Proposed Action is to: invite interested persons to file written comments on issues as listed in the January 21, 1992 order on Case No. PUE920003.

The Financial Accounting Standards Board ("FASB") has adopted Statement No. 106, "Employer's Accounting for Postretirement Benefits Other than Pensions," to become effective in January, 1993. Statement No. 106 requires that other postretirement employment benefits ("OPEB"), e.g., health care, dental, vision and life insurance if not included as part of a pension plan, be accounted for on an accrual basis, i.e., expensed as it is earned over an individual's term of employment. Statement No. 106 applies to all OPEB benefits paid by an employer to current and future retirees and their dependents and beneficiaries. Currently, most OPEB costs are expensed as they are paid.

The State Corporation Commission ("Commission") has initiated the captioned investigation and rulemaking to consider how FASB Statement No. 106 will affect public utilities subject to its jurisdiction, how OPEB should be accounted for, what ratemaking treatment should be accorded OPEB, and whether general rules governing OPEB should be adopted. The Commission has invited interested persons to file written comments on the following issues, as well as such other issues related to OPEB of interest to commentators:

- (1) The effect of current tax regulations pertaining to the allowance of OPEB expenses and the establishment of trusts for OPEB costs for public utilities.
- (2) How OPEB should be treated for ratemaking purposes and why that ratemaking methodology is appropriate. Provide justification why it is or is not in the best interest of the ratepayer to allow the accrual of OPEB to be included in a public utility's cost of service.
- (3) Whether the Commission should only allow the tax deductible portion of OPEB in a public utility's cost of service pursuant to the current federal tax code.
- (4) Whether a public utility should be required to fund OPEB if it is included in a public utility's cost of service.
- (5) Considering the risk of certain investments in

OPEB funds, whether the Commission should restrict the investment of OPEB funds to less risky investments.

(6) How accounting for the difference between the cash and accrual basis for OPEB should be accomplished if a utility is unable to adjust its rates to include the effects of FASB Statement No. 106 by January, 1993.

Written comments may be submitted until February 28, 1992.

Name of Authorized Officer

Angela P. Bowser

<u>Title</u>	<u>Telephone Number</u>
Assistant Director Information Resources	786-7141

/s/ Angela P. Bowser
Date: January 27, 1992

STATE CORPORATION COMMISSION

AT RICHMOND, JANUARY 21, 1992

COMMONWEALTH OF VIRGINIA, ex rel.
CASE NO. PUE920003

Ex Parte, In re: Consideration
of a rule governing Accounting
for Postretirement Benefits
other than Pensions

ORDER DIRECTING NOTICE
AND INVITING COMMENT

The Financial Accounting Standards Board ("FASB") has recently adopted Statement No. 106, "Employer's Accounting for Postretirement Benefits Other than Pensions", to become effective in January, 1993. Statement No. 106 requires that other postretirement employment benefits ("OPEB"), e.g., health care, dental, vision and life insurance if not included as part of a pension plan, be accounted for on an accrual basis, i.e., expensed as it is earned over an individual's term of employment. This Statement applies to all OPEB benefits paid by an employer to current and future retirees and their dependents and beneficiaries. Presently most OPEB costs are expensed as they are paid.

The Staff of the State Corporation Commission has advised that Statement No. 106 will materially impact the financial statements of every jurisdictional public utility operating in Virginia. The Staff has recommended that we consider a comprehensive rulemaking to address this accounting issue and to invite comment on this and various issues associated with this FASB Statement.

NOW THE COMMISSION, upon consideration of the foregoing, is of the opinion and finds that an investigation

State Corporation Commission

and rulemaking concerning the proper booking and ratemaking treatment to be accorded OPEB should be established; that this matter should be docketed; and that public utilities, customers, and other interested parties should have an opportunity to file written comments on the following issues as well as such other issues related to OPEB of interest to them and should have an opportunity to request oral argument on the same:

- (1) Discuss the current tax regulations pertaining to the allowance of OPEB expenses and the establishment of trusts for OPEB costs.
- (2) Provide a full explanation of how OPEB should be accounted for for ratemaking purposes and why that ratemaking methodology is appropriate. Provide justification why it is or is not in the best interest of the ratepayer to allow the accrual of OPEB to be included in a public utility's cost of service.
- (3) Explain in detail whether the Commission should only allow the tax deductible portion of OPEB in a public utility's cost of service pursuant to the current federal tax code.
- (4) Explain in detail whether a public utility should be required to fund OPEB if it is included in a utility's cost of service.
- (5) Considering the risk of certain investments in OPEB funds, comment in detail on whether the Commission should restrict the investment of these funds to less risky investments.
- (6) Comment on how accounting for the difference between the cash and accrual basis for OPEB should be accomplished if a public utility is unable to adjust its rates to include the effects of FASB Statement No. 106 by January, 1993.

In addition, we will direct our Division of Public Utility Accounting to publish the notice prescribed herein and the public utilities subject to our jurisdiction to make a copy of this order available for public review at their respective business offices where customer bills may be paid.

Accordingly, IT IS ORDERED:

- (1) That this rulemaking is hereby docketed and assigned Case No. PUE920003;
- (2) That, on or before February 28, 1992, interested persons, including public utilities subject to our jurisdiction, may file with the Clerk of the Commission an original and fifteen (15) copies of written comments addressing the issues raised on pp. 2-3, herein, together with comments on any other issues of special concern related to the OPEB. Requests for oral argument shall likewise be filed with the Clerk of the Commission on or before February 28, 1992. All

comments or requests for argument shall refer to Case No. PUE920003 and shall be directed to William J. Bridge, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23216;

(3) That the Commission's Division of Public Utility Accounting shall cause the following notice to be published as display advertising (not classified) for one week in biweekly papers and twice a week for one week in newspapers having daily circulation, said publication to be completed on or before February 14, 1992, in newspapers of general circulation throughout the Commonwealth of Virginia:

NOTICE OF A RULEMAKING TO CONSIDER
THE APPROPRIATE ACCOUNTING AND
RATEMAKING TREATMENT
FOR POSTRETIREMENT BENEFITS OTHER THAN
PENSIONS
CASE NO. PUE920003
.....

The Financial Accounting Standards Board ("FASB") has adopted Statement No. 106, "Employer's Accounting for Postretirement Benefits Other than Pensions," to become effective in January, 1993. Statement No. 106 requires that other postretirement employment benefits ("OPEB"), e.g., health care, dental, vision and life insurance if not included as part of a pension plan, be accounted for on an accrual basis, i.e., expensed as it is earned over an individual's term of employment. Statement No. 106 applies to all OPEB benefits paid by an employer to current and future retirees and their dependents and beneficiaries. Currently, most OPEB costs are expensed as they are paid.

The State Corporation Commission ("Commission") has initiated the captioned investigation and rulemaking to consider how FASB Statement No. 106 will affect public utilities subject to its jurisdiction, how OPEB should be accounted for, what ratemaking treatment should be accorded OPEB, and whether general rules governing OPEB should be adopted. The Commission has invited interested persons to file written comments on the following issues, as well as such other issues related to OPEB of interest to commentators:

- (1) The effect of current tax regulations pertaining to the allowance of OPEB expenses and the establishment of trusts for OPEB costs for public utilities.
- (2) How OPEB should be treated for ratemaking purposes and why that ratemaking methodology is appropriate. Provide justification why it is or is not in the best interest of the ratepayer to allow the accrual of OPEB to be included in a public utility's cost of service.

(3) Whether the Commission should only allow the tax deductible portion of OPEB in a public utility's cost of service pursuant to the current federal tax code.

(4) Whether a public utility should be required to fund OPEB if it is included in a public utility's cost of service.

(5) Considering the risk of certain investments in OPEB funds, whether the Commission should restrict the investment of OPEB funds to less risky investments.

(6) How accounting for the difference between the cash and accrual basis for OPEB should be accomplished if a utility is unable to adjust its rates to include the effects of FASB Statement No. 106 by January, 1993.

The Order establishing this rulemaking and investigation may be examined Monday through Friday, from 8:00 a.m. to 5:00 p.m., in the Commission's Document Control Center, Floor B-1, Jefferson Building, Bank and Governor Street, Richmond, Virginia and during regular business hours at all business offices where customer bills may be paid of public utilities subject to the Virginia State Corporation Commission's jurisdiction.

Any interested person desiring to submit written comments concerning the issues described herein or to request oral argument on same shall file an original and fifteen (15) copies of said comments or requests on or before February 28, 1992, with William J. Bridge, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23216 and shall refer to Case No. PUE920003.

VIRGINIA STATE CORPORATION COMMISSION DIVISION OF PUBLIC UTILITY ACCOUNTING

(4) That the Division of Public Utility Accounting shall, forthwith, send a copy of this Order to the Virginia Register for publication;

(5) That each public utility subject to the jurisdiction of this Commission shall make a copy of this Order available for public inspection during normal business hours at its respective business offices where customer bills may be paid;

(6) That, on or before April 17, 1992, the Commission's Staff shall file an original and fifteen (15) copies of a Report analyzing the comments received herein, together with the Staff's recommendations concerning the appropriate treatment for OPEB, and shall serve a copy of same upon all public utilities and interested persons submitting written comments or requests for hearing;

(7) That all public utilities subject to the Commission's

jurisdiction shall respond to written interrogatories within ten (10) days after the receipt of same. Except as so modified, discovery shall be in accordance with part VI of the Commission's Rules of Practice and Procedure; and

(8) That this Order shall be sent by the Clerk of the Commission to all public utilities subject to the Commission's jurisdiction, together with the other parties listed in the attached Service List; to the Division of Consumer Counsel, Office of the Attorney General of Virginia, 101 North 8th Street, 6th Floor, Richmond, Virginia 23219; and the Commission's Office of General Counsel and Divisions of Energy Regulation, Communications, Public Utility Accounting, and Economics and Finance.

SERVICE LIST

ELECTRIC COOPERATIVES IN VIRGINIA

Mr. Vernon N. Brinkley
Executive Vice President
A&N Electric Cooperative
Post Office Box 1128
Parksley, VA 23421

Mr. Hugh M. Landes
General Manager
B-A-R-C Electric Cooperative
Post Office Box 264
Millboro, VA 24460-0264

Mr. Howard L. Scarboro
General Manager
Central Virginia Electric Cooperative
Lovingston, VA 22949

Mr. J. M. Reynolds
General Manager
Community Electric Cooperative
Post Office Box 267
Windsor, VA 23487

Mr. Gerald H. Groseclose
General Manager
Craig-Botetourt Electric Cooperative
Post Office Box 265
New Castle, VA 24127

Mr. John Bowman
General Manager
Mecklenberg Electric Cooperative
Caller 2451
Chase City, VA 23924-2451

Mr. Charles R. Rice, Jr.
General Manager
Northern Neck Electric Cooperative
Post Office Box 288
Warsaw, VA 22572-0288

State Corporation Commission

Mr. Harry K. Bowman
General Manager
Northern Virginia Electric Cooperative
Post Office Box 2710
Manassas, VA 22110

Mr. Ralph B. Miner
General Manager
Power Valley Electric Cooperative
Post Office Box 308
Church Street
Jonesville, VA 24263

Mr. Gene G. Carr
General Manager
Prince George Electric Cooperative
Post Office Box 168
Waverly, VA 23890

Mr. Cecil E. Viverette, Jr.
President
Rappahannock Electric Cooperative
Post Office Box 7388
Fredericksburg, VA 22404-7388

Mr. Douglas C. Wine
Executive Vice President
Shenandoah Valley Electric Cooperative
Post Office Box 236
Route 257
Mt. Crawford, VA 22841-0236

Mr. John C. Anderson
Executive Vice President
Southside Electric Cooperative
Post Office Box 7
Crewe, VA 23930

ELECTRIC COMPANIES IN VIRGINIA

Mr. Joseph H. Vipperman, President
Appalachian Power Company
Post Office Box 2021
Roanoke, VA 24022-2121

Mr. James R. Wittine
General Manager Regulatory Practice
Delmarva Power & Light Company
800 King Street
Post Office Box 231
Wilmington, Delaware 19899

Mr. Harold E. Armsey, Manager
Old Dominion Power Company
Post Office Drawer 658
Norton, VA 24273

Mr. Alan J. Noia, President
The Potomac Edison Company
Downsville Pike
Hagerstown, Maryland 21740

Mr. Thomas J. O'Neil
Vice President-Regulation
Virginia Power Company
Box 26666
Richmond, VA 23261

GAS COMPANIES IN VIRGINIA

Commonwealth Gas Services, Inc.
Mr. Thomas E. Harris, President
800 Moorefield Park Drive
P.O. Box 35800
Richmond, Virginia 23236-3659

Commonwealth Public Service Corp.
Mr. Carlton Smith, Vice President &
General Manager
P.O. Box 589
Bluefield, West Virginia 24701

Roanoke Gas Company
Mr. Frank A. Farmer, Jr., President
P.O. Box 13007
Roanoke, Virginia 24011

Shenandoah Gas Company
Mr. Kenneth G. Behrens,
General Manager
P.O. Box 2400
Winchester, Virginia 22601

Southwestern Virginia Gas Company
Mr. Allan McClain, President
P.O. Drawer 5391
Martinsville, Virginia 24115

United Cities Gas Company
Mr. Gene Koonce, President &
General Manager
5300 Maryland Way
Brentwood, Tennessee 37027

Virginia Natural Gas
Mr. W. F. Fritsche, Jr.
President & CEO
5100 East Virginia Beach Blvd.
Norfolk, Virginia 23502

Washington Gas Light Company
Northern Virginia Natural Gas
Shenandoah Gas Company
Mr. Patrick J. Maher, President
1100 H Street, N.W.
Washington, D.C. 20005

INTER-EXCHANGE CARRIERS

Mr. Terry Michael Banks, Vice President
AT&T Communications of Virginia
Three Flint Hill
3201 Jermantown Road, Room 3B

State Corporation Commission

Fairfax, Virginia 22030-2885

Mr. James S. Quarforth, President
CF-W Network Inc.
P. O. Box 1990
Waynesboro, Virginia 22980-1990

Mr. Gregory Wells
General Regulatory/Planning Manager
Central Telephone Company of Virginia
P.O. Box 6788
Charlottesville, Virginia 22903

Mr. James R. Newell, Manager
Citizens Telephone Cooperative
Oxford Street
P.O. Box 137
Floyd, Virginia 24091

Mr. Joseph Kahl, Manager
Regulatory Affairs
Metromedia Communications of Virginia
One Meadowlands Plaza
East Rutherford, New Jersey 07073

Mr. Stephen Spencer
Contel of Virginia, Inc.
1108 East Main Street, Suite 1108
Richmond, Virginia 23219

Ms. Gail P. Charles, Director of Marketing
Institutional Communications Company - Virginia
2000 Corporate Ridge
McLean, Virginia 22102

Robert C. Lopardo
Senior Attorney
MCI Telecommunications Corp. of Virginia
1150 17th Street, N.W., 8th Floor
Washington, D.C. 20036

Mr. Allen Layman, Executive Vice President
R&B Network, Inc.
P. O. Box 174
Daleville, Virginia 24083

Mr. James W. McConnell, Manager
Scott County Telephone Cooperative
P.O. Box 487
Gate City, Virginia 24251

Mr. Christopher E. French
President & General Manager
Shenandoah Telephone Company
P. O. Box 459
Edinburg, Virginia 22824

Peter H. Reynolds, Director
SouthernNet of Va., Inc.
780 Douglas Road, Suite 800
Atlanta, Georgia 30342

Mr. Charles A. Tievsky, Manager
Legal and Regulatory Affairs
TDX Systems, Inc.
1919 Gallows Road
Vienna, Virginia 22180

Mr. Kenneth Prohoniak
Staff Director, Regulatory Affairs
U.S. Sprint Communications Company
1850 "M" Street, N.W., Suite 110
Washington, DC 20036

TELEPHONE COMPANIES IN VIRGINIA

Mr. Joseph E. Hicks, Vice President
Amelia Telephone Corporation
P.O. Box 22995
Knoxville, Tennessee 37933-0995

Mr. Raymond L. Eckels, Manager
Amelia Telephone Corporation
P. O. Box 76
Amelia, Virginia 23002

Mr. M. Dale Tetterton, Jr., Manager
Buggs Island Telephone Cooperative
P. O. Box 129
Bracey, Virginia 23919

Ms. Sue B. Moss, President
Burke's Garden Telephone Exchange
P. O. Box 428
Burke's Garden, Virginia 24608

Mr. J. Thomas Brown
President - VA/NC
Central Telephone Company of Virginia
P. O. Box 6788
Charlottesville, Virginia 22906

Mr. Hugh R. Stallard, President
and Chief Executive Officer
Chesapeake & Potomac Telephone Company
600 East Main Street
P.O. Box 27241
Richmond, Virginia 23261

Mr. James R. Newell, Manager
Citizens Telephone Cooperative
Oxford Street
P. O. Box 137
Floyd, Virginia 24091

Mr. James S. Quarforth, President
Clifton Forge-Waynesboro Telephone Company
P. O. Box 1990
Waynesboro, Virginia 22980-1990

Mr. Clarence Prestwood, President
Contel of Virginia, Inc.
9380 Walnut Grove Road

State Corporation Commission

P. O. Box 900
Mechanicsville, Virginia 23111-0900

Mr. J. M. Swatts
State Manager - External Affairs
GTE South
P.O. Box 4338
Bluefield, West Virginia 24701

Mr. Thomas R. Parker
Associate General Counsel
Law Department
GTE South
P.O. Box 110 - Mail Code: 7
Tampa, Florida 33601-0110

Mr. Elmer E. Halterman, General Manager
Highland Telephone Cooperative
P.O. Box 340
Monterey, Virginia 24465

Mr. L. Ronald Smith
President/General Manager
Mountain Grove-Williamsville
Telephone Company
P. O. Box 105
Williamsville, Virginia 24487

Mr. Joseph E. Hicks
New Castle Telephone Company
P.O. Box 22995
Knoxville, Tennessee 37933-0995

Mr. K. L. Chapman, Jr., President
New Hope Telephone Company
P. O. Box 38
New Hope, Virginia 24469

Mr. W. Richard Fleming, Manager
North River Telephone Cooperative
P. O. Box 236, Route 257
Mt. Crawford, Virginia 22841-0236

Mr. Stanley G. Cumbee, General Manager
Pembroke Telephone Cooperative
P. O. Box 549
Pembroke, Virginia 24136-0549

Mr. E. B. Fitzgerald, Jr.
President & General Manager
Peoples Mutual Telephone Company, Inc.
P. O. Box 367
Gretna, Virginia 24557

Mr. Allen Layman, President
Roanoke & Botetourt Telephone Company
Daleville, Virginia 24083

Mr. James W. McConnell, Manager
Scott County Telephone Cooperative
P. O. Box 487

Gate City, Virginia 24251

Mr. Christopher E. French
President
Shenandoah Telephone Company
P. O. Box 459
Edinburg, Virginia 22824

Mr. William K. Smith, President
United Inter-Mountain Telephone Company
112 Sixth Street, P. O. Box 699
Bristol, Tennessee 37620

Mr. Joseph E. Hicks
Vice President, External Affairs
Virginia Telephone Company
P.O. Box 22995
Knoxville, Tennessee 37933-0995

WATER AND SEWER COMPANIES IN VIRGINIA

Alpha Water
Sydnor Hydrodynamics, Inc.
c/o Charles S. Verdery
Vice President
Alpha Water
2111 Magnolia Street
Richmond, Virginia 23261

Aqua Systems, Inc.
c/o R. L. Magette
Box 423
Smithfield, Virginia 23430

Aquarius Water Systems, Inc.
c/o Don Liscomb
Route 3
Luray, Virginia 22835

Aubon Water Company
c/o G. Ray Boone, President
215 N. Main Street
Rocky Mount, Virginia 24151

Battery Park Artesian Water Company
c/o Hazel K. Spady
P.O. Box 57
Battery Park, Virginia 23304

Beechwood Water Company, Inc.
c/o Clyde Prillaman
223 Plantation Drive
Collinsville, Virginia 24078

Big Caney Water Corporation
c/o Mr. Mike Lawrence
P.O. Box 7
McClure, Virginia 24269

Bluefield Valley Water Works Company
c/o H. Allen Baumgarner

State Corporation Commission

Box 593
Charleston, West Virginia 25322

Blue Ridge Utility Company
c/o William Orttis
Route 3, Box 455
Edinburg, Virginia 22824

Blue Ridge Water Agency, Inc.
c/o Mr. Harry Hobson
P.O. Box 87
Route 616
Blue Ridge, Virginia 24064

Caroline Utilities, Inc.
c/o Charles S. Verdery
Sydnor Hydrodynamics, Inc.
Box 27186
Richmond, Virginia 23261

Cedar Ridge Water Company
c/o Curtis Simmons
Post Office Box 95
Daleville, Virginia 24083

Charles M. Blythe Water Company, Inc.
c/o Ms. Hilda B. Blythe
23062 Scottswood Drive
Franklin, Virginia 23851

Crawford Water Company
c/o J. Philip Knopp, President
22 Terry Court
Staunton, Virginia 24401

Dale Service Corporation
c/o Norris Sisson
5565 Mapledale Plaza
Dale City, Virginia 22193

Daleville Water Company
c/o Willis Hopkins, President
P.O. Box 307
Daleville, Virginia 24083

Eagle Rock Water Company
c/o Mr. Hunter
P.O. Box 182
Eagle Rock, Virginia 24085

Echo Village Sewer Company
c/o T. G. Adams
Route 3, Box 247
Winchester, Virginia 22601

Evergreen Water Corporation
S. J. Construction Company
3600 Wheeler Avenue
Alexandria, Virginia 22314

Glen Wilton Water Corporation

c/o C. M. Reynolds, III
Post Office Box 57
Glen Wilton, Virginia 24438

Harbour East Sewerage Company
c/o Paul A. Pederson
P.O. Box 640
Chester, Virginia 23831

Highland Lake Water Works, Inc.
c/o Mr. Bryon Lambert
Drawer 9
Union Hall, Virginia 24176

Hoges Chapel Water Service Corporation
c/o Mrs. P. N. Medley
Route 1, Box 39
Pembroke, Virginia 24136

Idlewood Water Company
c/o Mr. Coy W. Cooper
Route 3, Box 940
Boones Mill, Virginia 24065

Indian River Water Company
c/o C. G. Harris, Vice President
3400 Building, 397 Little Neck Road
Virginia Beach, Virginia 23452

James River Service Corporation
c/o Mr. Charles S. Verdery
P.O. Box 27186
Richmond, Virginia 23261

Kilby Shores Water Company
c/o R. L. Magette, President
P.O. Box 432
Smithfield, Virginia 23434

Lake Holiday Estates Utility Company
c/o Carl H. Simms, President
P.O. Box 89-A
Cross Junction, Virginia 22625

Lake Monticello Service Company
c/o Gary Ellis
397 Jefferson Drive
Palmyra, Virginia 22963

Land 'Or Utility Company, Inc.
c/o Fred Kaspick, Executive Vice President
Box 100
Ladysmith, Virginia 22501

Long Hollow Water Development Company
Mr. Clinton Hayes, President
Route 1, Box 506
Buena Vista, Virginia 24416

Lundie Utilities, Inc.
c/o Charles L. Lundie, President

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3833-A South Crater Road
Petersburg, Virginia 23805

Manakin Water and Sewerage Corporation
c/o Margaret Will Claud, President
4421 Park Avenue
Richmond, Virginia 23221

Marshall Water Works, Inc.
c/o David L. Ferguson, President
Box 171
Marshall, Virginia 22115

Massanutten Public Service Company
c/o David H. Demaree, Vice President
2335 Sanders Road
Northbrook, Illinois 60062

Monta Vista Water Company, Inc.
c/o T. C. Clark
Post Office Box 25
Stanleytown, Virginia 24168

Mountainview Water Company, Inc.
c/o Mr. Rick Marmaduke
701 First Street, S.W.
Roanoke, Virginia 24016

Montvale Water, Inc.
c/o Mr. A. C. Hollins, President
Mrs. Jessie P. Richards
P.O. Box 155
Montvale, Virginia 24122

S. E. Moran Utilities, Inc.
c/o Mr. S. E. Moran, President
Route 2, Box 1019
Ms. Maggie Moran (Contact)
Barrett, Virginia 24055

Occoquan Sewer, Inc.
c/o 2335 Sanders Road
Northbrook, Illinois 60062

Occoquan Water, Inc.
c/o Mr. Patrick J. O'Brien
2335 Sanders Road
Northbrook, Illinois 60062

Peacock Hill Service Company
P.O. Box 11
Ivy, Virginia 22445

Piedmont Water Company, Inc.
c/o Mr. & Mrs. Curtis Oakes
Route 4, Box 284
Martinsville, Virginia 24112

Pocahontas Water Works, Inc.
c/o F. P. Cerutti
P.O. Box 2109

Charleston, West Virginia 25328

Po River Water and Sewer Company
c/o Mr. Phil Phrasis
Carlyle Group
9073 Nemo Street
Los Angeles, California 90069

Poff Construction/Broadview
Robert Poff
201 Roanoke Street
Christiansburg, Virginia 24073

Powhatan Water Works, Inc.
c/o Mr. Charles S. Verdery
Box 27186
Richmond, Virginia 23261

Presidential Services
c/o Mr. Richard F. Marilley, President
1303 Capulet Court
McLean, Virginia 22102

Public Service Company of Virginia, Inc.
c/o Joseph M. Casero, P.E.
P.O. Box 304
Greenwood, Virginia 22943

Rainbow Forest Water Corporation
c/o O. J. Frink, Jr.
P.O. Box 13006
2788 Colonial Avenue, S.W., Suite 111
Roanoke, Virginia 24030

Read Mountain
c/o James A. Beavers
P.O. Box 20069
Roanoke, Virginia 24018-0503

Reston Lake Anne Air Conditioning Corporation
Douglas A. Cobb
P.O. Box 277
Great Falls, Virginia 22066

Riverlake Water Company
c/o Paul Genovese
804 Morgan Trail
Virginia Beach, Virginia 23464

Rockbridge Rural Water Agency, Inc.
c/o Deborah Hubbard
Route 1, Box 50X
Glasgow, Virginia 24555

Sanville Utilities Corporation
c/o R. N. Anthony, President
P.O. Box 532
Bassett, Virginia 24055

Shawnee-Land Utilities Company
c/o Don Lamborne

State Corporation Commission

Mountain Falls Route, Box 808
Winchester, Virginia 22601

Smith Mountain Water Company
c/o David Wilson, President
Route 3, Box 90
Moneta, Virginia 24121

South Anna Service Corporation
c/o Henry Gunst, Jr., President
Route 1, Box 180 D
Beaverdam, Virginia 23015

Syndor Hydrodynamics, Inc.
Box 27186
Richmond, Virginia 23261

T-L Water Company
c/o Larry Lamb, President
P.O. Box 217
Standardsville, Virginia 22973

Thomas Bridge Water Corporation
c/o Mr. William Sword
Route 3, Box 533
Marion, Virginia 24354

Tidewater Water Company of:
1. Isle of Wight
2. James City
3. Southampton
4. Suffolk
c/o R. L. Magette
Box 423
Smithfield, Virginia 23430

Tinkerview Water Company
c/o Nancy Firestone
P.O. Box 428
Troutville, Virginia 24175

Trail's End Utility Company, Inc.
c/o Dallas Swan (Registered Agent)
TDR Enterprises, Inc.
Accomac, Virginia 23301

Valley Ridge Water Company
c/o D. H. Scott (Registered Agent)
Box 204
Selma, Virginia 24422

Virginia American Water Company
(Alexandria & Prince William County)
c/o David Legg, Manager
2223 Duke Street
Alexandria, Virginia 22310

Virginia American Water Company
(Hopewell Area)
Susan Locket
Customer Service

210 North Second Avenue
Hopewell, Virginia 23860

Virginia Suburban Water Company
c/o Joyce Creel, Business Manager
P.O. Box 897
Warsaw, Virginia 22572

Water Distributors, Inc.
c/o Dewrey E. Holdaway
3342 Clara Road
Roanoke, Virginia 24018

Waterfront Waterworks
c/o Jim Buck, President
4520 Old Cave Spring Road
Roanoke, Virginia 24018

Wilderness Water & Utility Company, Inc.
c/o John P. Verry, President
5201 Leesburg Pike, Suite 1107
Falls Church, Virginia 22041

Williamsburg Court Water Company
c/o B. Willis Hopkins
Route 1, Box 460
Daleville, Virginia 24083

Windsor Water Company, Inc.
c/o Herman Taliaferro
1707 Hepinstall Avenue
Smithfield, Virginia 23430

Woodhaven Water Company
c/o Linda Lindenmuth (Secretary/Treasurer)
P.O. Box 68
Quinton, Virginia 23141

York Public Utilities Corporation
c/o Jay L. Levinson
P.O. Box B-L
Williamsburg, Virginia 23187

OTHER PARTIES

Evans B. Brasfield, Esquire
Richard D. Gary, Esquire
Guy T. Tripp, III, Esquire
Hunton & Williams
Riverfront Plaza, East Tower
951 East Byrd Street Richmond, Virginia 23219-4074

Stephen H. Watts, Esquire
McGuire, Woods, Battle and
Boothe
One James Center
901 East Cary Street
Richmond, Virginia 23219

Edward L. Flippen, Esquire
Donald G. Owens, Esquire
Mays & Valentine
P.O. Box 1122

State Corporation Commission

1111 East Main Street
Richmond, Virginia 23208-9970

Hullihen W. Moore, Esquire
Louis R. Monacell, Esquire
James C. Dimitri, Esquire
Christian, Barton, Epps, Brent & Chappell
1200 Mutual Building
Richmond, Virginia 23219

Wilbur L. Hazlegrove, Esquire
Allen Glover, Esquire
Woods, Rogers, & Hazlegrove
P.O. Box 14125
Roanoke, Virginia 24038

Nathan H. Miller, Esquire
Kenworth E. Lion, Jr., Esquire
Miller & Hern
Innsbrook Corporate Center
4201 Dominion Boulevard
Suite 200
Glen Allen, Virginia 23060

FINAL REGULATION

AT RICHMOND, JANUARY 31, 1992

COMMONWEALTH OF VIRGINIA

At the relation of the

STATE CORPORATION COMMISSION

CASE NO. INS910307

Ex Parte: In the matter
of Adopting Rules Governing
Credit for Reinsurance

ORDER ADOPTING REGULATION

WHEREAS, by order entered herein October 21, 1991, the Commission ordered that a hearing be held in the Commission's Courtroom on December 17, 1991, for the purpose of considering the adoption of a regulation proposed by the Bureau of Insurance entitled "Rules Governing Credit for Reinsurance";

WHEREAS, the Commission conducted the aforesaid hearing where it received the comments of interested persons; and

THE COMMISSION, having considered the record herein, the comments of interested persons and the recommendations of the Bureau of Insurance, is of the opinion the regulation should be adopted, with certain amendments;

THEREFORE, IT IS ORDERED that the regulation entitled "Rules Governing Credit for Reinsurance" which is attached hereto and made a part hereof, should be, and it

is hereby, ADOPTED to be effective March 1, 1992.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to Brad Kading, Vice President, Reinsurance Association of America, 1819 L. Street, N.W., 7th Floor, Washington, D.C. 20036; and the Bureau of Insurance in care of Deputy Commissioner Alfred W. Gross, who shall forthwith give further notice of the adoption of the regulation by mailing a copy of this order together with a copy of the regulation to all insurance companies licensed in the Commonwealth of Virginia.

Rules Governing Credit for Reinsurance.

Section 1. Authority.

This regulation is promulgated pursuant to the authority vested in the Commission by §§ 38.2-223, 38.2-1316.7 and 12.1-13 of the Code of Virginia.

Section 2. Purpose.

The purpose of this regulation is to set forth rules and procedural requirements which the Commission has determined are necessary to carry out the provisions of Article 3.1 of Chapter 13 of Title 38.2 of the Code of Virginia.

Section 3. Severability.

If any provision of this regulation, or its application to any person or circumstance, is held invalid, such determination shall not affect other provisions or applications of this regulation which can be given effect without the invalid provision or application, and to that end the provisions of this regulation are severable.

Section 4. Applicability and Scope.

This regulation shall apply to all insurers taking credit for reinsurance under the provisions of Article 3.1 of Chapter 13 of Title 38.2 of the Code of Virginia.

Section 5. Definitions.

For purposes of this regulation:

A. "The Act" means the provisions concerning reinsurance set forth in Article 3.1 of Chapter 13 of Title 38.2 of the Code of Virginia.

B. "Accredited Reinsurer" has the meaning set forth in Virginia Code § 38.2-1316.1.

C. "Accredited state" means a state in which the supervising insurance official, state insurance department or regulatory agency is accredited by the National Association of Insurance Commissioners (NAIC) with respect to compliance with the NAIC Policy Statement on Financial Regulation Standards.

D. "Audited financial report" means and includes those items specified in Section 7 of Insurance Regulation No. 39 entitled "Rules Governing Annual Audited Financial Reports."

E. "Beneficiary" means the entity for whose sole benefit the trust described in Section 13 of this regulation, or the letter of credit described in Section 14 of this regulation, has been established and any successor of the beneficiary by operation of law, including, without limitation, any receiver, conservator, rehabilitator or liquidator.

F. "Credit" has the meaning defined in Virginia Code § 38.2-1316.1.

G. "Grantor" means the entity that has established a trust for the sole benefit of the beneficiary. However, when such a trust is established in conjunction with a reinsurance agreement that qualifies for credit under Section 13 of this regulation, the grantor shall not be an assuming insurer for which credit can be taken under Code § 38.2-1316.2 or § 38.2-1316.3.

H. "Obligations", as used in Subsection B.6 of Section 13 of this regulation, means:

1. Reinsured losses and allocated loss expenses paid by the ceding company, but not recovered from the assuming insurer;
2. Reserves for reinsured losses reported and outstanding;
3. Reserves for reinsured losses incurred but not reported; and
4. Reserves for allocated reinsured loss expenses and unearned premiums.

I. "Qualified United States financial institutions" has the meanings set forth in Virginia Code § 38.2-1316.1.

J. "Statutory financial statement" means financial statements filed on either a quarterly or annual basis with the supervising insurance official, insurance department or insurance regulatory agency of the assuming insurer's state of domicile or, in the case of an alien assuming insurer, with the state through which it is entered and in which it is licensed to transact insurance or reinsurance. Any statutory financial statement required under this regulation shall be filed in accordance with the filing dates prescribed for the financial statements filed by licensed insurers pursuant to Virginia Code §§ 38.2-1300 and 38.2-1301.

K. "Substantially similar" standards means credit for reinsurance standards which the Commission determines equal or exceed the standards of the Act and this regulation. An insurer licensed and domiciled, or entered through and licensed, in an accredited state is deemed to be subject to substantially similar standards for purposes

of the Act and this regulation.

L. "Surplus to policyholders" (i), when applied to a domestic or foreign assuming insurer, has the meaning set forth in Virginia Code § 38.2-100, and (ii), when applied to an alien assuming insurer, means trusteed surplus as defined in Virginia Code § 38.2-1031. In both instances as used in this regulation, the calculation and verification of such surplus shall be subject to the provisions of Title 38.2 of the Code of Virginia pertaining to admitted assets, investments, reserve requirements and other liabilities.

Section 6. Credit for Reinsurance Generally.

A. Except for those credits or reductions in liability allowed pursuant to § 38.2-1316.4 of the Act, a ceding insurer shall not receive reserve credits for reinsurance unless the assuming insurer meets certain financial and licensing requirements established by §§ 38.2-1316.2 and 38.2-1316.3 of the Act. The following paragraphs of this section and Sections 7, 8, 9, and 10 of this regulation set forth requirements for such assuming insurers.

B. The Act also contains examination and jurisdiction submission requirements by which most assuming insurers are required to submit to the examination authority of the Commission and the limited jurisdiction of this Commonwealth. The assuming insurer may also be required to appoint the Clerk of the Commission as statutory agent for service of process in any action, suit or proceeding arising out of a reinsurance agreement for which credit is taken under the Act, and instituted by or on behalf of the ceding insurer. The following provisions shall apply whenever such submissions or appointments are required by the Act or this regulation:

1. The submissions shall be executed and filed in duplicate on forms approved by the Commission.
2. When the assuming insurer is an incorporated company, each appointment or submission shall be executed by a duly authorized officer of the corporation. When the assuming insurer is an unincorporated group of persons, such forms may be executed by a trustee or other duly appointed and authorized representative of the group. In no case shall the executing officer, trustee, or representative be affiliated with or employed by a corresponding ceding insurer.
3. A submission to limited jurisdiction and any appointment of the Clerk of the Commission as agent for service of process shall be accompanied by a current listing of ceding insurers for whom jurisdiction through courts in Virginia is acknowledged. The listing shall identify all ceding insurers domiciled in Virginia with whom reinsurance agreements are in effect. For each ceding insurer identified, the listing shall report the complete name, address, domicile, and, for those companies registered with the NAIC, the identifying NAIC number of the ceding insurer. Such listing shall

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be updated at least annually unless more frequent filings are requested by the Commission.

C. It is possible for a ceding insurer to take credit for a reinsurance transaction in one or two ways even if the assuming company cannot satisfy the threshold financial and licensing requirements or is unwilling to make the examination and jurisdiction submissions provided for in the Act. In such instances, the controlling statute is § 38.2-1316.4 of the Act.

1. Under subdivision 1 of § 38.2-1316.4, credit may be taken if the transaction is required by law, however, the amount of credit may be restricted as provided in Section 11 of this regulation.

2. Under subdivision 2 of § 38.2-1316.4, credit may be taken in the form of a reduction from liability for collateralized transactions. Sections 12 through 15 of this regulation relate to collateralized transactions, including those secured by letters of credit.

D. Regardless of whether a ceding insurer seeks credit pursuant to § 38.2-1316.2, § 38.2-1316.3 or § 38.2-1316.4 of the Act, no balance sheet adjustments can be made unless the reinsurance agreement satisfies the conditions of § 38.2-1316.5 of the Act and Section 16 of this regulation. Additional conditions set forth throughout this regulation can affect transactions involving trustee funds or groups of assuming insurers.

E. The ceding insurer is responsible for determining, in advance of taking any credit for reinsurance, whether the assuming insurer is willing and able to satisfy the licensing and financial conditions, and make the examination and jurisdictional submissions provided for in § 38.2-1316.2 or § 38.2-1316.3 of the Act. If such conditions are not satisfied, or such submissions are not made in a proper and timely manner as required by this regulation, credit for reinsurance may be disallowed in the ceding insurer even though the required materials or filings may originate, by necessity or definition, with the assuming insurer.

1. For purposes of the Act, and except as otherwise approved by the Commission, an insurer shall not be considered "licensed" unless it is fully authorized to actively solicit and conduct its business in the appropriate jurisdiction.

F. Except as provided elsewhere in this regulation, all filings required by the Act or this regulation shall be filed (i) prior to the date of the statutory financial statement under which the ceding insurer in a given reinsurance agreement initially seeks credit according to the provisions of the Act, and (ii) on or before March 1 of each successive year in which ceding insurer seeks credit or the assuming insurer seeks standing in this Commonwealth as an accredited reinsurer.

G. Unless an extension for the time of filing is first granted in writing, the failure to submit timely filings or

to respond within ten (10) days to any request by the Commission for additional documents shall be considered grounds for disallowing credit and/or revoking the standing of an accredited reinsurer. Extensions may be granted for any period determined by the Commission, provided, the request for extension is in writing and is supported by a showing of good and valid cause.

Section 7. Credit for Reinsurance - Reinsurer Licensed in this Commonwealth.

Pursuant to subsections A.1 of §§ 38.2-1316.2 and 38.2-1316.3 of the Act, the Commission shall allow credit when reinsurance is ceded to an assuming insurer which is licensed to transact insurance in this Commonwealth. For purposes of this section, an insurer shall not be considered so "licensed" unless it is fully authorized to actively solicit and conduct its business in this Commonwealth and in its domiciliary state.

Section 8. Credit for Reinsurance - Accredited Reinsurers.

A. Pursuant to subsection A.2 of § 38.2-1316.2 and A.1 of § 38.2-1316.3 of the Act, the Commission shall allow credit when reinsurance is ceded to an assuming insurer which is an accredited reinsurer as of the date of the ceding insurer's statutory financial statement.

B. An assuming insurer which satisfies the filing requirements of this section, and which maintains a surplus to policyholders in an amount not less than \$20 million shall be recognized in this Commonwealth as an accredited reinsurer.

1. Such insurer's initial request for standing as an accredited reinsurer shall be deemed granted ninety days following the Commission's receipt of documents required by subsections D.1 and D.2., unless the Commission specifically requests, in writing, information pursuant to subsection D.3 of this regulation.

2. Any request by the Commission for additional information pursuant to subsection D.3 of this section, shall toll the statutory provisions for automatic recognition as an accredited reinsurer.

C. An assuming insurer which fails to maintain surplus to policyholders of at least \$20 million may request recognition as an accredited reinsurer by filing, in addition to the other requirements set forth in this section, a letter of explanation as to why its surplus is less than \$20 million and justification as to why the Commission should recognize the accreditation of such assuming insurer.

1. Such insurers shall be recognized as accredited reinsurers only upon a showing of good and valid cause.

2. Such insurers' standing as accredited reinsurers may be limited to certain types of reinsurance

transactions, or otherwise applicable only with regard to specified types of reinsurance contracts, such as pooling arrangements among affiliates within the same holding company system.

D. Filing Requirements.

1. As a condition of accreditation, an accredited reinsurer shall file with the Commission:

a. Evidence of its submission to the Commission's authority to examine its books and records and

b. Evidence of its submission to this Commonwealth's jurisdiction and appointment of the Clerk of the Commission as agent for service of process in any action, suit or proceeding instituted by or on behalf of the ceding company.

2. The following documents shall be filed prior to accreditation and annually thereafter for as long as the assuming insurer seeks standing in this Commonwealth as an accredited reinsurer:

a. A certified copy of a certificate of authority or of compliance or other evidence that it is licensed to transact insurance or reinsurance in at least one state, or in the case of a United States branch of an alien assuming insurer, is entered through and licensed to transact insurance or reinsurance in at least one state,

b. A copy of its statutory financial statement, and

c. A copy of its most recent audited financial report.

3. In addition to the foregoing, the insurer shall file, upon the request of the Commission, any additional information, certifications or reports of the assuming insurer as the Commission determines are necessary to verify the licensing status or financial condition of the assuming insurer.

Section 9. Credit for Reinsurance - Reinsurer Domiciled and Licensed in Another State, and Neither Licensed nor Accredited in Virginia.

A. Pursuant to the provisions of subsection A.3 of § 38.2-1316.2 of the Act, the Commission shall allow credit when a domestic insurer cedes reinsurance to an assuming insurer which as of the date of the ceding insurer's statutory financial statement:

1. Maintains a surplus to policyholders in an amount not less than \$20 million;

2. Is domiciled and licensed, or entered through and licensed, in a state which employs standards regarding credit for reinsurance substantially similar to those applicable under the Act and this regulation;

3. Submits to the Commission's authority to examine its books and records;

4. Submits to this Commonwealth's jurisdiction and designates the Clerk of the Commission as agent for service of process in any action, suit or proceeding instituted by or on behalf of the ceding company; and

5. Satisfies the applicable filing requirements set forth in subsection C of this section.

B. A foreign or alien ceding insurer taking credit pursuant to subsection A.2 of § 38.2-1316.3 of the Act must cede reinsurance to an assuming insurer which:

1. Maintains a surplus to policyholders in an amount not less than \$20 million;

2. Is licensed and authorized to actively solicit and conduct its business in at least one state; and

3. Satisfies the applicable filing requirements set forth in subsection C of this section.

C. Filing Requirements.

1. When credit is requested for a domestic ceding insurer, the Commission may require that the ceding insurer file or cause to be filed:

a. Evidence to support a finding by the Commission that the assuming insurer's state of domicile, or entry, employs standards regarding credit for reinsurance substantially similar to those set forth in the Act. Such evidence must be in a form acceptable to the Commission, and at the request of the Commission shall consist of statutes, regulations, and interpretations of the standards utilized by the state of domicile, or entry.

b. Such additional information, certifications, or reports of the assuming insurer as the Commission determines are necessary to verify the licensing status or financial condition of the assuming insurer.

2. When credit is requested for a foreign or alien ceding insurer, the Commission may require the ceding insurer to file or cause to be filed such information, certifications or reports of the assuming insurer as the Commission determines are necessary to verify the licensing status or financial condition of the assuming insurer.

3. When reinsurance is ceded by a domestic insurer and assumed pursuant to pooling arrangements among insurers in the same holding company, unless specifically required by the Commission, the \$20 million surplus to policyholder requirement shall be deemed waived. Notwithstanding this provision, the Commission may require the ceding insurer to file or cause to be filed:

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- a. A copy of the underlying pooling agreement.
- b. Such additional information, certifications or reports of the members of the pooling arrangement as the Commission determines are necessary to verify the financial condition of the collective or individual members of the pooling arrangement.

Section 10. Credit for Reinsurance - Reinsurers Maintaining Trust Funds.

A. Pursuant to subsections A.4 of § 38.2-1316.2 or A.3 of § 38.2-1316.3 of the Act, the Commission shall allow credit for reinsurance ceded to a trustee assuming insurer which, as of the date of the ceding insurer's statutory financial statement:

1. Maintains a trust fund and trustee surplus that complies with the provisions of subsection A.4 of § 38.2-1316.2 of the Act,
2. Complies with the requirements set forth below in subsections B, C and D of this section, and
3. Reports annually to the Commission on or before June 1 of each year in which a ceding insurer seeks reserve credit under the Act substantially the same information as that required to be reported on the NAIC annual statement form by licensed insurers, to enable the Commission to determine the sufficiency of the trust fund. The accounting shall, among other things, set forth the balance to the trust and list the trust's investments as the preceding year end and shall certify the date of termination of the trust, if so planned, or certify that the trust shall not expire prior to the next following December 31.

B. When credit is taken for reinsurance ceded to any trustee assuming insurer, the Commission may require that the ceding insurer file or cause to be filed:

1. A copy of the trust agreement pertaining to the requisite trust funds along with a statement identifying and locating the specific provisions in the agreement which satisfy the form of trust requirements set forth below at subsection E.
2. Satisfactory evidence that the requisite trust funds are held in a qualified United States financial institution.
3. A certified statement and accounting of trustee surplus executed by a duly authorized officer or representative of the trustee assuming insurer.
4. A certified statement from the trustee of the trust listing the assets of the trust.
5. A certified English translation for any foreign language documents filed pursuant to the Act or this regulation.

C. When credit is requested for reinsurance ceded to trustee assuming insurer which is a group of individual unincorporated underwriters, the group shall make available to the Commission annual certifications of solvency of each underwriter member of the group, prepared by the group's domiciliary regulator and its independent accountant.

D. When credit is requested for reinsurance ceded to a trustee assuming insurer which is a group of incorporated insurers under common administration, the group shall:

1. file evidence of its submission to the Commission's authority to examine the books and records of any member of the group.
2. certify that any member examined will bear the expense of any such examination.
3. make available to the Commission annual certifications by the members' domiciliary regulators and their independent public accountants of the solvency of each member of the group.
4. if requested by the Commission, file copies of annual statements for the three-year period preceding the initial request for credit, or other documents satisfactory to the Commission, which show that the group has continuously transacted an insurance business outside the United States for at least three (3) years.

E. Form of Trust. The trust required under subsection A.4 of § 38.2-1316.2 of the Act and subsections A.1, A.3, B.1 and B.2 of Section 10 of this regulation shall provide that:

1. Contested claims shall be valid and enforceable out of funds in trust to the extent remaining unsatisfied thirty (30) days after entry of the final order of any court of competent jurisdiction in the United States,
2. Legal title to the assets of the trust shall be vested in the trustee for the benefit of the grantor's United States policyholders and ceding insurers, their assigns and successors in interest,
3. The trust and the assuming insurer shall be subject to examination as determined by the Commission,
4. The trust shall remain in effect for as long as the assuming insurer, or any member or former member of a group of insurers, shall have outstanding obligations under reinsurance agreements subject to the trust, and
5. No later than February 28 of each year the trustees of the trust (i) shall report to the Commission in writing setting forth the balance in the trust and listing the trust's investments at the preceding year end and (ii) shall certify the date of termination of

the trust, if so planned, or certify that the trust shall not expire prior to the next December 31.

F. Any amendment to the trust, required under subsection A 4 of § 38.2-1316.2 of the Act and subsections A 1, A 3, B 1 and B 2 of Section 10 of this regulation, shall be filed with the Commission within thirty (30) days after the effective date of the amendment.

Section 11. Credit for Reinsurance Required by Law.

When an assuming insurer fails to meet the requirements of §§ 38.2-1316.2 or 38.2-1316.3 of the Act, the ceding insurer may take credit pursuant to subparagraph 1 of § 38.2-1316.4 of the Act but only with respect to the insurance of risks located in jurisdictions where such reinsurance is required by the applicable law or regulation of that jurisdiction. As used in this section, "jurisdiction" means any state, district or territory of the United States and any lawful national government.

Section 12. Reduction from Liability for Reinsurance Ceded to an Assuming Insurer Not Meeting the Requirements of § 38.2-1316.2 or 38.2-1316.3.

A. A ceding insurer taking credit pursuant to subparagraph 2 of § 38.2-1316.4 of the Act for reinsurance ceded shall be allowed such reduction from liability only when the requirements of subparagraph 2 of § 38.2-1316.4 of the Act and sections 13, 14 or 15 of this regulation are met.

B. In determining the appropriateness of the proposed security arrangement or accounting treatment, the Commission may consider the guidelines and other criteria as set forth in the NAIC Examiners' Handbook, NAIC practice and procedure manuals, or annual statement instructions in effect when the Commission exercises discretion under the Act or this regulation.

Section 13. Trust Agreements Qualified under Section 12 of this Regulation and Paragraph 2 of § 38.2-1316.4 of the Act.

A. When a ceding insurer takes credit pursuant to paragraph 2 of § 38.2-1316.4 of the Act for reinsurance transactions secured by funds held in trust, the underlying trust agreement shall meet the following conditions:

1. The trust agreement shall be entered into between the beneficiary, the grantor and a trustee which shall be a qualified United States financial institution, as those terms are defined in this regulation.
2. The trust agreement shall create a trust account into which assets shall be deposited.
3. All assets in the trust account shall be held by the trustee at the trustee's office in the United States, except that a bank may apply for the Commission's permission to use a foreign branch office of such

bank as trustee for trust agreements established pursuant to this section. If the Commission approves the use of such foreign branch office as trustee, then its use must be approved by the beneficiary in writing and the trust agreement must provide that the written notice described in subparagraph A.4 of this section must also be presentable, as a matter of legal right, at the trustee's principal office in the United States.

4. The trust agreement shall provide that:

a. The beneficiary shall have the right to withdraw assets from the trust account at any time, without notice to the grantor, subject only to written notice from the beneficiary to the trustee;

b. No other statement or document is required to be presented in order to withdraw assets, except that the beneficiary may be required to acknowledge receipt of withdrawn assets;

c. It is not subject to any conditions or qualifications outside of the trust agreement;

d. It shall not contain references to any other agreements or documents except as provided for under paragraph 9 of this subsection;

e. At least thirty (30) days, but not more than forty-five (45) days, prior to termination of the trust account, written notification of termination shall be delivered by the trustee to the beneficiary; and

f. The trustee shall be liable for its own negligence, willful misconduct or lack of good faith.

5. The trust agreement shall be established for the sole benefit of the beneficiary.

6. The trust agreement shall require the trustee to:

a. Receive assets and hold all assets in a safe place;

b. Determine that all assets are in such form that the beneficiary, or the trustee upon direction by the beneficiary, may whenever necessary negotiate any such assets, without consent or signature from the grantor or any other person or entity;

c. Furnish to the grantor and the beneficiary a statement of all assets in the trust account upon its inception and at intervals no less frequent than the end of each calendar quarter;

d. Notify the grantor and the beneficiary, within ten (10) days, of any deposits to or withdrawals from the trust account;

e. Upon written demand of the beneficiary, immediately take any and all steps necessary to transfer absolutely and unequivocally all right, title

State Corporation Commission

and interest in the assets held in the trust account to the beneficiary and deliver physical custody of such assets to such beneficiary; and

f. Allow no substitutions or withdrawals of assets from the trust account, except on written instructions from the beneficiary, except that the trustee may, without the consent of but with notice to the beneficiary, upon call or maturity of any trust asset, withdraw such asset upon condition that the proceeds are paid into the trust account.

7. The trust agreement shall be made subject to and governed by the laws of the state in which the trust is established.

8. The trust agreement shall prohibit invasion of the trust corpus for the purpose of paying compensation to, or reimbursing the expenses of, the trustee.

9. The reinsurance agreement entered into in conjunction with such a trust agreement may, but need not, contain provisions required by subsection C.1.b. of this section, so long as these required conditions are included in the trust agreement.

B. When a ceding insurer seeks credit pursuant to paragraph 2 of § 38.2-1316.4 of the Act for reinsurance transactions secured by funds held in trust, the underlying trust agreement may contain the following provisions subject to all conditions set forth:

1. The trust agreement may provide that the trustee may resign upon delivery of a written notice of resignation, effective not less than ninety (90) days after receipt by the beneficiary and grantor of the notice and that the trustee may be removed by the grantor by delivery to the trustee and the beneficiary of a written notice of removal, effective not less than 90 days after receipt by the trustee and the beneficiary of the notice, provided that no such resignation or removal shall be effective until a successor trustee has been duly appointed and approved by the beneficiary and the grantor and all assets in the trust have been duly transferred to the new trustee.

2. The grantor may have the full and unqualified right to vote any shares of stock in the trust account and to receive from time to time payments of any dividends or interest upon any shares of stock or obligations included in the trust account. Any such interest or dividends shall be either forwarded promptly upon receipt to the grantor or deposited in a separate account established in the grantor's name.

3. The trustee may be given authority to invest, and accept substitutions of, any funds in the account, provided that no investment or substitution shall be made without prior approval of the beneficiary, unless the trust agreement specifies categories of investments

acceptable to the beneficiary and authorizes the trustee to invest such funds and to accept such substitutions which the trustee determines are at least equal in market value to the assets withdrawn and that are consistent with the restrictions in subsection C.1.b. of this section.

4. The trust agreement may provide that the beneficiary may at any time designate a party to which all or part of the trust assets are to be transferred. Such transfer may be conditioned upon the trustee receiving, prior to or simultaneously, other specified assets.

5. The trust agreement may provide that, upon termination of the trust account, all assets not previously withdrawn by the beneficiary shall, with written approval by the beneficiary, be delivered over to the grantor.

6. Notwithstanding other provisions of this regulation, when a trust agreement is established in conjunction with a reinsurance agreement covering risks other than life, annuities and accident and health, where it is customary practice to provide a trust agreement for a specific purpose, such a trust agreement may, notwithstanding any other conditions in this regulation, provide that the ceding insurer shall undertake to use and apply amounts drawn upon the trust account, without diminution because of the insolvency of the ceding insurer or the assuming insurer, for the following purposes:

a. To pay or reimburse the ceding insurer for the assuming insurer's share under the specific reinsurance agreement regarding any losses and allocated loss expenses paid by the ceding insurer, but not recovered from the assuming insurer, or for unearned premiums due to the ceding insurer if not otherwise paid by the assuming insurer;

b. To make payment to the assuming insurer of any amounts held in the trust account that exceed 102 percent of the actual amount required to fund the assuming insurer's obligations under the specific reinsurance agreement; or

c. Where the ceding insurer has received notification of termination of the trust account and where the assuming insurer's entire obligations under the specific reinsurance agreement remain unliquidated and undischarged ten (10) days prior to such termination date, to withdraw amounts equal to such obligations and deposit such amounts in a separate account, in the name of the ceding insurer in any qualified United States financial institution as defined in this regulation apart from its general assets, in trust for such uses and purposes specified in Subparagraphs a and b above as may remain executory after such withdrawal and for any period after such termination date.

C. Conditions applicable to reinsurance agreements entered into by a ceding insurer which takes credit pursuant to paragraph 2 of § 38.2-1316.4 of the Act for reinsurance transactions secured by funds held in trust.

1. The reinsurance agreement may contain provisions that:

a. Require the assuming insurer to enter into a trust agreement and to establish a trust account for the benefit of the ceding insurer, and specifying what such agreement is to cover.

b. Stipulate that assets deposited in the trust account shall be valued according to their current fair market value and shall consist only of cash (United States legal tender), certificates of deposit (issued by a United States bank and payable in United States legal tender), and investments of the types permitted by Virginia Code § 38.2-1316.4 or any combination of the above, provided that such investments are issued by an institution that is not the parent, subsidiary, or affiliate of either the grantor or the beneficiary and, provided, further, that the amount of credit taken or reduction from liability allowed shall not, as a result of this paragraph, exceed the amount of credit or reduction from liability allowed a domestic insurer pursuant to Title 38.2. The reinsurance agreement may further specify the types of investments to be deposited. Where a trust agreement is entered into in conjunction with a reinsurance agreement covering risks other than life, annuities and accident and health, then such trust agreement may contain the provisions required by this paragraph in lieu of including such provisions in the reinsurance agreement.

c. Require the assuming insurer, prior to depositing assets with the trustee, to execute assignments, endorsements in blank, or transfer legal title to the trustee of all shares, obligations or any other assets requiring assignments, in order that the ceding insurer, or the trustee upon the direction of the ceding insurer, may whenever necessary negotiate any such assets without consent or signature from the assuming insurer or any other entity.

d. Require that all settlements of account between the ceding insurer and the assuming insurer be made in cash or its equivalent.

e. Stipulate that the assuming insurer and the ceding insurer agree that the assets in the trust account, established pursuant to the provisions of the reinsurance agreement, may be withdrawn by the ceding insurer at any time, notwithstanding any other provisions in the reinsurance agreement, and shall be utilized and applied by the ceding insurer or its successors in interest by operation of law, including without limitation any liquidator,

rehabilitator, receiver or conservator of such company, without diminution because of insolvency on the part of the ceding insurer or the assuming insurer, only for the following purposes:

(i) To reimburse the ceding insurer for the assuming insurer's share of premiums returned to the owners of policies reinsured under the reinsurance agreement because of cancellations of such policies;

(ii) To reimburse the ceding insurer for the assuming insurer's share of surrenders and benefits or losses paid by the ceding insurer pursuant to the provisions of the policies reinsured under the reinsurance agreement;

(iii) To fund an account with the ceding insurer in an amount at least equal to the deduction, for reinsurance ceded, from the ceding insurer liabilities for policies ceded under the agreement, which account shall include, but not be limited to, amounts for policy reserves, claims and losses incurred (including losses incurred but not reported), loss adjustment expenses, and unearned premium reserves; and

(iv) To pay any other amounts the ceding insurer claims are due under the reinsurance agreement.

f. Give the assuming insurer the right to seek approval (which shall not be unreasonably or arbitrarily withheld) from the ceding insurer to withdraw from the trust account all or any part of the trust assets and transfer such assets to the assuming insurer, provided:

(i) The assuming insurer shall, at the time of such withdrawal, replace the withdrawn assets with other qualified assets having a market value equal to the market value of the assets withdrawn so as to maintain at all times the deposit in the required amount, or

(ii) After such withdrawal and transfer, the market value of the trust account is no less than 102 percent of the required amount.

g. Provide for:

(i) The return of any amount withdrawn in excess of the actual amounts required for subsections C.1.e.(i), (ii), and (iii), or in the case of subsection C.1.e.(iv), any amounts that are subsequently determined not to be due; and

(ii) Interest payments, at a rate not in excess of the prime rate of interest, on the amounts held pursuant to subsection C.1.e.(iii);

h. Permit the award by any arbitration panel or

State Corporation Commission

court of competent jurisdiction of:

- (i) Interest at a rate different from that provided in the foregoing subparagraph g. (ii),
- (ii) Court or arbitration costs,
- (iii) Attorney's fees, and
- (iv) Any other reasonable expenses.

2. With regard to financial reporting, a trust agreement may be used to reduce any liability for reinsurance ceded to an unauthorized assuming insurer in financial statements required to be filed with the Commission in compliance with the provisions of this regulation when established on or before the date of filing of the financial statement of the ceding insurer. Further, the reduction for the existence of an acceptable trust account may be up to the current fair market value of acceptable assets available to be withdrawn from the trust account at that time, but such reduction shall be no greater than the specific obligations, as defined in this Regulation, under the reinsurance agreement that the trust account was established to secure;

3. With regard to existing agreements and notwithstanding the effective date of this regulation, any trust agreement or underlying reinsurance agreement in existence prior to January 1, 1992 will continue to be acceptable until the first occurring anniversary or renewal date after December 31, 1991, at which time the agreements will have to be in full compliance with this regulation for the trust agreement to be acceptable; and

4. The failure of any trust agreement to specifically identify the beneficiary as defined in Section 5 of this regulation shall not be construed to affect any actions or rights which the Commission may take or possess pursuant to the provisions of the laws of this Commonwealth.

Section 14. Letters of Credit Qualifying for § 38.2-1316.4 Credit under Section 12 of this Regulation.

A. The letter of credit must be clean. It cannot be conditioned on the delivery of any other documents or materials. It shall contain an issue date and date of expiration and shall stipulate that the beneficiary need only draw a sight draft under the letter of credit and present it to obtain funds and that no other document need be presented.

B. The letter of credit must be irrevocable. It must provide that it cannot be modified, except for an increase in face amount, or revoked without the consent of the beneficiary, once the beneficiary is established.

C. The letter of credit must be unconditional. It shall

indicate specifically that it is not subject to any condition or qualifications outside of the letter of credit. In addition, the letter of credit itself shall not contain reference to any other agreements, documents or entities, except as provided in subsection K.1 below.

D. The heading of the letter of credit may include a boxed section which contains the name of the applicant and other appropriate notations to provide a reference for such letter of credit. The boxed section shall be clearly marked to indicate that such information is for internal identification purposes only.

E. The letter of credit shall contain a statement to the effect that the obligation of the qualified United States financial institution under the letter of credit is in no way contingent upon reimbursement with respect thereto.

F. The term of the letter of credit shall be for at least one year and shall contain an "evergreen clause" which automatically renews the letter of credit for a time certain should the issuer of the same fail to affirmatively signify its intention to non-renew upon expiry and which prevents the expiration of the letter of credit without due notice from the issuer. The "evergreen clause" shall provide for a period of no less than 30 (thirty) days notice prior to expiry date for nonrenewal.

G. The letter of credit shall state whether it is subject to and governed by the laws of this Commonwealth, the ceding insurers state of domicile or the Uniform Customs and Practice for Documentary Credits of the International Chamber of Commerce (Publication 400), and all drafts drawn thereunder shall be presentable at an office in the United States of a qualified United States financial institution.

H. If the letter of credit is made subject to the Uniform Customs and Practice for Documentary Credits of the International Chamber of Commerce (Publication 400), then the letter of credit shall specifically address and make provision for an extension of time to draw against the letter of credit in the event that one or more of the occurrences specified in Article 19 of Publication 400 occur.

I. The letter of credit shall be issued or confirmed by a qualified United States financial institution authorized to issue letters of credit, pursuant to the applicable definitions contained within § 38.2-1316.1 of the Act.

J. When a letter of credit, issued by a financial institution not recognized by the Act and this regulation as a qualified United States financial institution authorized to issue letters of credit, is subsequently confirmed by a qualified United States financial institution, as described in subsection I of this section, then the following additional requirements shall be met:

- 1. The issuing financial institution shall formally designate the confirming qualified United States

financial institution as its agent for the receipt and payment of the drafts, and

2. The "evergreen clause" shall provide for a period of no less than 30 (thirty) days' notice prior to expiry date for nonrenewal.

K. Reinsurance agreement provisions.

1. The reinsurance agreement in conjunction with which the letter of credit is obtained may contain provisions which:

a. Require the assuming insurer to provide letters of credit to the ceding insurer and specify what they are to cover.

b. Stipulate that the assuming insurer and ceding insurer agree that the letter of credit provided by the assuming insurer pursuant to the provisions of the reinsurance agreement may be drawn upon at any time, notwithstanding any other provision in such agreement, and shall be utilized by the ceding insurer or its successors in interest only for one or more of the following reasons:

(i) To reimburse the ceding insurer for the assuming insurer's share of premiums returned to the owners of policies reinsured under the reinsurance agreement on account of cancellations of such policies;

(ii) To reimburse the ceding insurer for the assuming insurer's share of surrenders and benefits or losses paid by the ceding insurer under the terms and provisions of the policies reinsured under the reinsurance agreement;

(iii) To fund an account with the ceding insurer in an amount at least equal to the deduction, for reinsurance ceded, from the ceding insurer's liabilities for policies ceded under the agreement (such amount shall include, but not be limited to, amounts for policy reserves, claims and losses incurred and unearned premium reserves); and

(iv) To pay any other amounts the ceding insurer claims are due under the reinsurance agreement.

c. All of the foregoing provisions of paragraph 1. of this subsection should be applied without diminution because of insolvency on the part of the ceding insurer or assuming insurer.

2. Nothing contained in paragraph 1 of this subsection shall preclude the ceding insurer and assuming insurer from providing for:

a. An interest payment, at a rate not in excess of the prime rate of interest, on the amounts held pursuant to paragraph 1.b.(iii) of this subsection,

and/or

b. The return of any amounts drawn down on the letters of credit in excess of the actual amounts required for the above or, in the case of paragraph 1.b.(iv) of this subsection, any amounts that are subsequently determined not to be due.

3. When a letter of credit is obtained in conjunction with a reinsurance agreement covering risks other than life, annuities and health, where it is customary practice to provide a letter of credit for a specific purpose, then such reinsurance agreement may in lieu of paragraph 1.b. of this subsection, require that the parties enter into a "Trust Agreement" which may be incorporated into the reinsurance agreement or be a separate document.

L. A letter of credit may not be used to reduce any liability for reinsurance ceded to an unauthorized assuming insurer in financial statements required to be filed with the Commission unless an acceptable letter of credit with the filing ceding insurer as beneficiary has been issued on or before the date of filing of the financial statement.

Section 15. Other Security.

The Commission may allow credit pursuant to subparagraph 2.d of § 38.2-1316.4 of the Act for unencumbered funds withheld by the ceding insurer in the United States subject to withdrawal solely by the ceding insurer and under its exclusive control.

Section 16. Reinsurance Contract.

Credit will not be granted to a ceding insurer for reinsurance effected with assuming insurers meeting the requirements of sections 7, 8, 9, 10 or 12 of this regulation or otherwise in compliance with the Act after the adoption of this regulation unless the reinsurance agreement:

A. Includes proper insolvency clauses pursuant to subsections A.1 through A.3 of § 38.2-1316.5 of the Act; and

B. Includes a provision pursuant to subsection A.4 of § 38.2-1316.5 of the Act whereby the assuming insurer, if an unauthorized assuming insurer entering into a transaction with a domestic insurer, has submitted to the jurisdiction of an alternative dispute resolution panel or court of competent jurisdiction within the United States, has agreed to comply with all requirements necessary to give such court or panel jurisdiction, has designated an agent upon whom service of process may be effected, and has agreed to abide by the final decisions of such court or panel.

Section 17. Contracts Affected.

All new and renewal reinsurance transactions entered into after December 31, 1991 shall conform to the requirements of the Act and this regulation if credit is to be given to the ceding insurer for such reinsurance.

GENERAL NOTICES/ERRATA

Symbol Key †

† Indicates entries since last publication of the Virginia Register

GENERAL NOTICES

NOTICE

Notices of Intended Regulatory Action are published as a separate section at the beginning of each issue of the Virginia Register.

DEPARTMENT OF GENERAL SERVICES

Division of Forensic Science

Notice to the Public

Title of Regulation: VR 330-02-01. Regulations for Breath Alcohol Testing.

Statutory Authority: §§ 18.2-267 and 18.2-268 of the Code of Virginia.

In accordance with § 3.2 of the Regulations for Breath Alcohol Testing and under authority of § 18.2-267 of the Code of Virginia, the following devices are approved for use as preliminary breath test devices:

1. ALCOLYSER, manufactured by Lyon Laboratories, Ltd., Cardiff, Wales, United Kingdom.
2. The PREVENT, manufactured by BHP Diagnostix, West Chester, PA.
3. The A.L.E.R.T. (Alcohol Level Evaluation Road Tester), Models J2A, J3A, and J3AC, manufactured by Alcohol Countermeasure Systems, Inc., Port Huron, MI.
4. The ALCO-SENSOR, ALCO-SENSOR II and ALCO-SENSOR III, manufactured by Intoximeters, Inc., St. Louis, MO.
5. The CMI SD 2, manufactured by Lyon, Laboratories, Barry, United Kingdom.
6. The LIFE LOC PBA 3000, manufactured by Life Loc Inc., Wheat Ridge, CO.

In accordance with § 2.7 of the Regulations for Breath Alcohol Testing and under authority of § 18.2-268 of the Code of Virginia, the following ampuls are approved for use in conducting breath tests on approved breath test devices:

1. Breathalyzer ampuls, manufactured by National Draeger, Inc., Pittsburgh, PA.
2. Tru-Test ampuls, manufactured by Systems Innovation Inc., Hallstead, PA.
3. Guth ampuls, manufactured by Guth Laboratories, Inc., Harrisburg, PA.

In accordance with § 2.6 of the Regulations for Breath Alcohol Testing and under authority of § 18.2-268 of the Code of Virginia, the following breath test devices are approved for use in conducting breath tests:

1. The Breathalyzer, Model 900-A, manufactured by Stephenson Corporation, Red Bank, NJ.
2. The Breathalyzer, Model 900-A, manufactured by Smith & Wesson Corp., Springfield, MA.
2. The Breathalyzer, Model 900-A, manufactured by National Draeger, Inc., Pittsburgh, PA.
4. The Intoximeter, Model 3000 equipped with the Virginia field module and external printer, manufactured by Intoximeters, Inc., Richmond, CA.

DEPARTMENT OF LABOR AND INDUSTRY

Notice to the Public

Statement of Final Agency Action

Virginia Occupational Safety and Health Standards for the General Industry

Extension of Partial Stay to Amendment to the General Industry Standard for Occupational Exposure to Asbestos, Tremolite, Anthophyllite and Actinolite, 1910.1001, 1926.58

VR 425-02-10

On November 26, 1991, the Virginia Safety and Health Codes Board adopted an Extension of the Partial Stay to the Amended Standard to the Final Rule of the Virginia Occupational Safety and Health Standards for General Industry entitled, "VR 425-02-10, Occupational Exposure to Asbestos, Tremolite, Anthophyllite and Actinolite, 1910.1001 and 1926.58."

The effective date of the stay is November 27, 1991, and it will remain in effect until February 28, 1992, to allow OSHA to complete supplemental rulemaking limited to the

issue of whether non-asbestiform tremolite, anthophyllite and actinolite should continue to be regulated in the same standard as asbestos, or should be treated in some other way. OSHA also is making minor conforming amendments to notes to the affected standards.

DEPARTMENT OF WASTE MANAGEMENT

† Public Notice

Designation of Regional Solid Waste Management Planning Area

In accordance with the provision of § 10.1-1411 of the Code of Virginia, and Part V, Regulations for the Development of Solid Waste Management Plans, VR 672-50-01, the Director of the Department of Waste Management intends to designate a solid waste management region for the local governments of the County of Amherst and the Town of Amherst. The County of Amherst will be designated contact for development and/or implementation of a regional solid waste management plan and programs for the recycling of solid waste generated within the designated region.

A petition has been received by the Department of Waste Management for the designation on behalf of the local governments.

Anyone wishing to comment on the designation of this region should respond in writing by 5 p.m. on March 30, 1992 to Ms. Cheryl Cashman, Legislative Liaison, Department of Waste Management, 11th Floor, Monroe Building, 101 North 14th Street, Richmond, VA 23219. FAX 804-225-3753 or 804-371-8737/TDD ☎

Immediately following the closing date for comments, the Director of the Department of Waste Management will notify the affected local governments of its approval as a region or of the need to hold a public hearing on designation.

Any questions concerning this notice should be directed to Ms. Cheryl Cashman, Legislative Liaison, at (804) 225-2667.

† Public Notice

Designation of Regional Solid Waste Management Planning Area

In accordance with the provision of § 10.1-1411 of the Code of Virginia, and Part V, Regulations for the Development of Solid Waste Management Plans, VR 672-50-01, the Director of the Department of Waste Management intends to designate a solid waste management region for the local governments of the Counties of Accomack and Northampton and the Towns of Accomac, Belle Haven, Bloxom, Cape Charles, Cheriton, Chinocoteague, Eastville, Exmore, Hallwood, Keller, Melfa, Nassawadox, Onancock, Onley, Painter, Parksley, Saxis,

Tangier, and Wachpreague. The Accomack-Northampton Solid Waste Management Committee will be designated contact for development and/or implementation of a regional solid waste management plan and programs for the recycling of solid waste generated within the designated region.

A petition has been received by the Department of Waste Management for the designation on behalf of the local governments.

Anyone wishing to comment on the designation of this region should respond in writing by 5 p.m. on March 30, 1992 to Ms. Cheryl Cashman, Legislative Liaison, Department of Waste Management, 11th Floor, Monroe Building, 101 North 14th Street, Richmond, VA 23219. FAX 804-225-3753 or 804-371-8737/TDD ☎

Immediately following the closing date for comments, the Director of the Department of Waste Management will notify the affected local governments of its approval as a region or of the need to hold a public hearing on designation.

Any questions concerning this notice should be directed to Ms. Cheryl Cashman, Legislative Liaison, at (804) 225-2667.

† Public Notice

Designation of Regional Solid Waste Management Planning Area

In accordance with the provision of § 10.1-1411 of the Code of Virginia, and Part V, Regulations for the Development of Solid Waste Management Plans, VR 672-50-01, the Director of the Department of Waste Management intends to designate a solid waste management region for the local governments of the County of Franklin and the Towns of Rocky Mount and Boones Mill. The County of Franklin will be designated contact for development and/or implementation of a regional solid waste management plan and programs for the recycling of solid waste generated within the designated region.

A petition has been received by the Department of Waste Management for the designation on behalf of the local governments.

Anyone wishing to comment on the designation of this region should respond in writing by 5 p.m. on March 30, 1992 to Ms. Cheryl Cashman, Legislative Liaison, Department of Waste Management, 11th Floor, Monroe Building, 101 North 14th Street, Richmond, VA 23219. FAX 804-225-3753 or 804-371-8737/TDD ☎

Immediately following the closing date for comments, the Director of the Department of Waste Management will notify the affected local governments of its approval as a region or of the need to hold a public hearing on designation.

General Notices/Errata

Any questions concerning this notice should be directed to Ms. Cheryl Cashman, Legislative Liaison, at (804) 225-2667.

† Public Notice

Designation of Regional Solid Waste Management Planning Area

In accordance with the provision of § 10.1-1411 of the Code of Virginia, and Part V, Regulations for the Development of Solid Waste Management Plans, VR 672-50-01, the Director of the Department of Waste Management intends to designate a solid waste management region for the local governments of the County of Grayson, City of Galax and the Towns of Independence, Troutdale, and Fries. The County of Grayson will be designated contact for development and/or implementation of a regional solid waste management plan and programs for the recycling of solid waste generated within the designated region.

A petition has been received by the Department of Waste Management for the designation on behalf of the local governments.

Anyone wishing to comment on the designation of this region should respond in writing by 5 p.m. on March 30, 1992 to Ms. Cheryl Cashman, Legislative Liaison, Department of Waste Management, 11th Floor, Monroe Building, 101 North 14th Street, Richmond, VA 23219. FAX 804-225-3753 or 804-371-8737/TDD ☎

Immediately following the closing date for comments, the Director of the Department of Waste Management will notify the affected local governments of its approval as a region or of the need to hold a public hearing on designation.

Any questions concerning this notice should be directed to Ms. Cheryl Cashman, Legislative Liaison, at (804) 225-2667.

† Public Notice

Designation of Regional Solid Waste Management Planning Area

In accordance with the provision of § 10.1-1411 of the Code of Virginia, and Part V, Regulations for the Development of Solid Waste Management Plans, VR 672-50-01, the Director of the Department of Waste Management intends to designate a solid waste management region for the local governments of the County of Henry, the City of Martinsville and the Town of Ridgeway. The County of Henry will be designated contact for development and/or implementation of a regional solid waste management plan and programs for the recycling of solid waste generated within the designated region.

A petition has been received by the Department of Waste Management for the designation on behalf of the local governments.

Anyone wishing to comment on the designation of this region should respond in writing by 5 p.m. on March 30, 1992 to Ms. Cheryl Cashman, Legislative Liaison, Department of Waste Management, 11th Floor, Monroe Building, 101 North 14th Street, Richmond, VA 23219. FAX 804-225-3753 or 804-371-8737/TDD ☎

Immediately following the closing date for comments, the Director of the Department of Waste Management will notify the affected local governments of its approval as a region or of the need to hold a public hearing on designation.

Any questions concerning this notice should be directed to Ms. Cheryl Cashman, Legislative Liaison, at (804) 225-2667.

† Public Notice

Designation of Regional Solid Waste Management Planning Area

In accordance with the provision of § 10.1-1411 of the Code of Virginia, and Part V, Regulations for the Development of Solid Waste Management Plans, VR 672-50-01, the Director of the Department of Waste Management intends to designate a solid waste management region for the local governments of the County of Highland and the Town of Monterey. The County of Highland will be designated contact for development and/or implementation of a regional solid waste management plan and programs for the recycling of solid waste generated within the designated region.

A petition has been received by the Department of Waste Management for the designation on behalf of the local governments.

Anyone wishing to comment on the designation of this region should respond in writing by 5 p.m. on March 30, 1992 to Ms. Cheryl Cashman, Legislative Liaison, Department of Waste Management, 11th Floor, Monroe Building, 101 North 14th Street, Richmond, VA 23219. FAX 804-225-3753 or 804-371-8737/TDD ☎

Immediately following the closing date for comments, the Director of the Department of Waste Management will notify the affected local governments of its approval as a region or of the need to hold a public hearing on designation.

Any questions concerning this notice should be directed to Ms. Cheryl Cashman, Legislative Liaison, at (804) 225-2667.

† Public Notice

Designation of Regional Solid Waste Management Planning Area

In accordance with the provision of § 10.1-1411 of the Code of Virginia, and Part V, Regulations for the Development of Solid Waste Management Plans, VR

672-50-01, the Director of the Department of Waste Management intends to designate a solid waste management region for the local governments of the County of Rockbridge, the Cities of Lexington and Buena Vista, and the Towns of Glasgow and Goshen. The County of Rockbridge will be designated contact for development and/or implementation of a regional solid waste management plan and programs for the recycling of solid waste generated within the designated region.

A petition has been received by the Department of Waste Management for the designation on behalf of the local governments.

Anyone wishing to comment on the designation of this region should respond in writing by 5 p.m. on March 30, 1992 to Ms. Cheryl Cashman, Legislative Liaison, Department of Waste Management, 11th Floor, Monroe Building, 101 North 14th Street, Richmond, VA 23219. FAX 804-225-3753 or 804-371-8737/TDD ☎

Immediately following the closing date for comments, the Director of the Department of Waste Management will notify the affected local governments of its approval as a region or of the need to hold a public hearing on designation.

Any questions concerning this notice should be directed to Ms. Cheryl Cashman, Legislative Liaison, at (804) 225-2667.

VIRGINIA CODE COMMISSION NOTICE TO STATE AGENCIES

Change of Address: Our new mailing address is: Virginia Code Commission, 910 Capitol Street, General Assembly Building, 2nd Floor, Richmond, VA 23219. You may FAX in your notice; however, we ask that you do not follow-up with a mailed copy. Our FAX number is: 371-0169.

FORMS FOR FILING MATERIAL ON DATES FOR PUBLICATION IN THE VIRGINIA REGISTER OF REGULATIONS

All agencies are required to use the appropriate forms when furnishing material and dates for publication in the Virginia Register of Regulations. The forms are supplied by the office of the Registrar of Regulations. If you do not have any forms or you need additional forms, please contact: Virginia Code Commission, 910 Capitol Street, General Assembly Building, 2nd Floor, Richmond, VA 23219, telephone (804) 786-3591.

FORMS:

NOTICE of INTENDED REGULATORY ACTION - RR01
NOTICE of COMMENT PERIOD - RR02
PROPOSED (Transmittal Sheet) - RR03

FINAL (Transmittal Sheet) - RR04
EMERGENCY (Transmittal Sheet) - RR05
NOTICE of MEETING - RR06
AGENCY RESPONSE TO LEGISLATIVE
OR GUBERNATORIAL OBJECTIONS - RR08
DEPARTMENT of PLANNING AND BUDGET
(Transmittal Sheet) - DPBR09

Copies of the Virginia Register Form, Style and Procedure Manual may also be obtained at the above address.

ERRATA

STATE LOTTERY DEPARTMENT

Title of Regulation: VR 447-01-2. Instant Game Regulations.

Publication: 8:9 VA.R. 1432-1444 January 27, 1992.

Correction to Emergency Regulation:

Page 1432, second column, § 1.4 A 1 c should read:

“c. Required business licenses, tax and business permits; and”

Page 1442, first column, § 3.25 4, line 3, after “amounts” add “of.”

Title of Regulation: VR 447-02-2. On-Line Game Regulations.

Publication: 8:9 VA.R. 1445-1462 January 27, 1992.

Correction to Emergency Regulation:

Page 1459, first column, 7th line from the bottom, change “D.” to “C.”

CALENDAR OF EVENTS

Symbols Key

- † Indicates entries since last publication of the Virginia Register
- ☒ Location accessible to handicapped
- ☎ Telecommunications Device for Deaf (TDD)/Voice Designation

NOTICE

Only those meetings which are filed with the Registrar of Regulations by the filing deadline noted at the beginning of this publication are listed. Since some meetings are called on short notice, please be aware that this listing of meetings may be incomplete. Also, all meetings are subject to cancellation and the Virginia Register deadline may preclude a notice of such cancellation.

For additional information on open meetings and public hearings held by the Standing Committees of the Legislature during the interim, please call Legislative Information at (804) 786-6530.

VIRGINIA CODE COMMISSION

EXECUTIVE



Long-Term Care Ombudsman Program Advisory Council

† **March 26, 1992 - 9 a.m.** – Open Meeting
Richmond Memorial Hospital, Laburnum Conference Room,
1300 Westbrook Avenue, Richmond, Virginia. ☒

Deborah Little from the Department of Health will discuss licensure and certification of nursing facilities and OBRA implementation in Virginia. Business will include finalizing plans for the development of a citizen advocacy network.

Contact: Ms. Virginia Dize, State Ombudsman, Virginia Department for the Aging, 700 E. Franklin Street, 10th Floor, Richmond, VA 23219, telephone (804) 225-2271/TDD ☎ or toll-free 1-800-552-3402.

BOARD OF AGRICULTURE AND CONSUMER SERVICES

February 26, 1992 - 1 p.m. – Open Meeting

February 27, 1992 - 9 a.m. – Open Meeting
Washington Building, Room 204, 1100 Bank Street,
Richmond, Virginia. ☒

A regular meeting to discuss legislation, regulations, and fiscal matters and to receive reports from the staff of the Department of Agriculture and Consumer Services. The board may consider other matters relating to its responsibilities. At the conclusion of other business, the board will review public comments for a period not to exceed 30 minutes.

Contact: Roy E. Seward, Secretary to the Board, Virginia Department of Agriculture and Consumer Services, Washington Building, Room 210, 1100 Bank Street, Richmond, VA 23219, telephone (804) 786-3501.

DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

Virginia Egg Board

† **February 25, 1992 - 10 a.m.** – Open Meeting
Sheraton Hotel, Interstate 81, Woodrow Wilson Highway,
Staunton, Virginia. ☒ (interpreter for deaf provided upon request)

A meeting to (i) review new laws and regulations which might be applicable to the egg industry; (ii) review financial statements and delinquent taxable revenues; and (iii) discuss other items of interest to the Virginia Egg Board and its members. At the conclusion of other business, the board will entertain public comments for a period not to exceed thirty minutes.

Contact: Cecilia Glembocki, Executive Director, 911 Saddleback Court, McLean, VA 22102, telephone (703) 790-1984.

Virginia Marine Products Board

† **March 3, 1992 - 5:30 p.m.** – Open Meeting
Nicks Steak and Spaghetti House, Route 17, Gloucester Point, Virginia. ☒

The board will meet to receive reports from the Executive Director of the Virginia Marine Products Board on: finance, marketing, past and future program planning, publicity/public relations, old/new business. At the conclusion of other business, the board will entertain public comments for a period not to exceed thirty minutes.

Calendar of Events

Contact: Shirley Estes Berg, 97 Main Street, Suite 103, Newport News, VA 23601, telephone (804) 594-7261.

Virginia Sweet Potato Board

March 11, 1992 - 7:30 p.m. – Open Meeting
Eastern Shore Agriculture Experiment Station, Route 1, Box 133, Research Drive, Painter, Virginia. ☒

A meeting to discuss marketing, promotion, research and education programs for the state's sweet potato industry and to develop the board's annual budget. At the conclusion of other business, the board will entertain public comments for a period not to exceed 30 minutes.

Contact: J. William Mapp, Program Director, Box 26, Onley, VA 23418, telephone (804) 787-5867.

Virginia Winegrowers Advisory Board

April 6, 1992 - 10 a.m. – Open Meeting
Virginia Agricultural Experiment Station, 2500 Valley Avenue, Winchester, Virginia.

The board will (i) hear reports from Committee Chairs and Project Monitors; (ii) review old and new business; and (iii) hear and vote on new proposals for the 1992-1993 fiscal year.

Contact: Annette C. Ringwood, Wine Marketing Specialist, 1100 Bank Street, Suite 1010, Richmond, VA 23219, telephone (804) 371-7685.

ALCOHOLIC BEVERAGE CONTROL BOARD

March 2, 1992 - 9:30 a.m. – Open Meeting
March 16, 1992 - 9:30 a.m. – Open Meeting
March 30, 1992 - 9:30 a.m. – Open Meeting
2901 Hermitage Road, Richmond, Virginia. ☒

A meeting to receive and discuss reports and activities from staff members. Other matters not yet determined.

Contact: Robert N. Swinson, Secretary to the Board, 2901 Hermitage Road, P.O. Box 27491, Richmond, VA 23261, telephone (804) 367-0616.

ARCHITECTS, LAND SURVEYORS, PROFESSIONAL ENGINEERS AND LANDSCAPE ARCHITECTS, BOARD FOR

† **March 19, 1992 - 9 a.m. – Open Meeting**
Department of Commerce, 3600 West Broad Street, Richmond, Virginia. ☒

A meeting to (i) approve minutes from November 21, 1991, meeting; (ii) review correspondence; and (iii)

review enforcement files.

Contact: Willie Fobbs, III, Assistant Director, Department of Commerce, 3600 W. Broad Street, Richmond, VA 23230, telephone (804) 367-8514.

Board for Interior Designers

† **March 27, 1992 - 9 a.m. – Open Meeting**
Department of Commerce, 3600 West Broad Street, Richmond, Virginia. ☒

A meeting to (i) approve minutes from January 10, 1992, meeting; (ii) review correspondence; and (iii) review applications.

Contact: Willie Fobbs, III, Assistant Director, Department of Commerce, 3600 W. Broad Street, Richmond, VA 23230, telephone (804) 367-8514.

Board for Land Surveyors

† **March 20, 1992 - 9 a.m. – Open Meeting**
Department of Commerce, 3600 West Broad Street, Richmond, Virginia. ☒

A meeting to (i) approve minutes from January 9, 1992, meeting; (ii) review correspondence; and (iii) review enforcement files.

Contact: Willie Fobbs, III, Assistant Director, Department of Commerce, 3600 W. Broad Street, Richmond, VA 23230, telephone (804) 367-8514.

ASAP POLICY BOARD - ROCKBRIDGE

February 25, 1992 - 3 p.m. – Open Meeting
2044 Sycamore Avenue, Buena Vista, Virginia. ☒

A meeting to include call to order, approval of minutes from November 12, 1992, old business, new business, and treasurer's report.

Contact: S. Diane Clark, Director, 2044 Sycamore Avenue, Buena Vista, VA 24416, telephone (703) 261-6281.

ASAP POLICY BOARD - VALLEY

† **March 9, 1992 - 8:30 a.m. – Open Meeting**
Augusta County School Board Office, Fishersville, Virginia. ☒

A regular meeting to conduct business pertaining to (i) court referrals; (ii) financial report; (iii) director's report; and (iv) statistical reports.

Contact: Mrs. Rhoda G. York, Executive Director, 2 Holiday Court, Staunton, VA 24401, telephone (703) 886-5616 or in Waynesboro (703) 943-4405.

Calendar of Events

VIRGINIA AVIATION BOARD

† February 27, 1992 - 9 a.m. - Open Meeting
Hilton Richmond Airport, 5501 Eubank Road, Sandston,
Virginia. ☒

A meeting to discuss aviation matters of interest to
the Commonwealth.

Contact: Nancy C. Brent, 4508 S. Laburnum Avenue,
Richmond, VA 23231-2422, telephone (804) 786-6284.

STATE BUILDING CODE TECHNICAL REVIEW BOARD

February 28, 1992 - 10 a.m. - Open Meeting
Virginia Housing Development Authority, 601 Belvidere
Street, Conference Room #2, Richmond, Virginia. ☒
(Interpreter for deaf provided upon request)

A meeting to (i) consider requests for interpretation of
the Virginia Uniform Statewide Building Code; (ii)
consider appeals from the rulings of local appeal
boards regarding application of the Virginia Uniform
Statewide Building Code; and (iii) approve minutes of
previous meeting.

Contact: Jack A. Proctor, 205 North Fourth Street,
Richmond, VA 23219, telephone (804) 371-7772.

CHESAPEAKE BAY LOCAL ASSISTANCE BOARD

February 27, 1992 - 10 a.m. - Open Meeting
Virginia Housing Development Authority, Conference Room
#1, 601 South Belvidere Street, Richmond, Virginia. ☒
(Interpreter for deaf provided upon request)

The board will conduct general business, including
review of local Chesapeake Bay Preservation Area
programs. Public comment will be heard early in the
meeting. A tentative agenda will be available from the
Chesapeake Bay Local Assistance Department by
February 20, 1992.

Contact: Receptionist, Chesapeake Bay Local Assistance
Department, 805 E. Broad St., Suite 701, Richmond, VA
23219, telephone (804) 225-3440 or toll-free
1-800-243-7229/TDD ☎

March 26, 1992 - 10 a.m. - Open Meeting
State Water Control Board, Conference Room, Innsbrook
Corporate Center, 4900 Cox Road, Glen Allen, Virginia. ☒
(Interpreter for deaf provided upon request)

The board will conduct general business, including
review of local Chesapeake Bay Preservation Area
programs. Public comment will be heard early in the
meeting. A tentative agenda will be available from the
Chesapeake Bay Local Assistance Department by
March 19, 1992.

Contact: Receptionist, Chesapeake Bay Local Assistance
Department, 805 E. Broad St., Suite 701, Richmond, VA
23219, telephone (804) 225-3440 or toll-free
1-800-243-7229/TDD ☎

Central Area Review Committee

February 24, 1992 - 10 a.m. - Open Meeting
James City County Offices, 101A Mounts Bay Road,
Williamsburg, Virginia. ☒ (Interpreter for deaf provided
upon request)

March 9, 1992 - 10 a.m. - Open Meeting

March 23, 1992 - 10 a.m. - Open Meeting

General Assembly Building, Senate Room B, 9th and Broad
Streets, Richmond, Virginia. ☒ (Interpreter for deaf
provided upon request)

The committee will review Chesapeake Bay
Preservation Area Programs for the Central Area.
Persons interested in observing should call the
Chesapeake Bay Local Assistance Department to verify
meeting time, location and schedule. No comments
from the public will be entertained at the Review
Committee meetings. However, written comments are
welcome.

Contact: Receptionist, Chesapeake Bay Local Assistance
Department, 805 E. Broad St., Suite 701, Richmond, VA
23219, telephone (804) 225-3440 or toll-free
1-800-243-7229/TDD ☎

Northern Area Review Committee

February 26, 1992 - 10 a.m. - Open Meeting

March 11, 1992 - 10 a.m. - Open Meeting

March 25, 1992 - 10 a.m. - Open Meeting

Council on the Environment, Conference Room, 9th Street
Office Building, Richmond, Virginia. ☒ (Interpreter for
deaf provided upon request)

The committee will review Chesapeake Bay
Preservation Area Programs for the Northern Area.
Persons interested in observing should call the
Chesapeake Bay Local Assistance Department to verify
meeting time, location and schedule. No comments
from the public will be entertained at the Review
Committee meetings. However, written comments are
welcome.

Contact: Receptionist, Chesapeake Bay Local Assistance
Department, 805 E. Broad St., Suite 701, Richmond, VA
23219, telephone (804) 225-3440 or toll-free
1-800-243-7229/TDD ☎

Regulatory Review Committee and Program Study Group

March 18, 1992 - 10 a.m. - Open Meeting

Monroe Building, Meeting Room E, 101 North 14th Street,
Richmond, Virginia. ☒ (Interpreter for deaf provided upon
request)

The committee will consider issues relating to Chesapeake Bay Preservation Area Designation and Management Regulations, VR 173-02-01. No public comment will be taken.

Contact: Receptionist, Chesapeake Bay Local Assistance Department, 805 E. Broad St., Suite 701, Richmond, VA 23219, telephone (804) 225-3440 or toll-free 1-800-243-7229/TDD ☎

Southern Area Review Committee

March 4, 1992 - 10 a.m. – Open Meeting
March 18, 1992 - 10 a.m. – Open Meeting
Council on the Environment, Conference Room, 9th Street Office Building, Richmond, Virginia. ☒ (Interpreter for deaf provided upon request)

The committee will review Chesapeake Bay Preservation Area Programs for the Southern Area. Persons interested in observing should call the Chesapeake Bay Local Assistance Department to verify meeting time, location and schedule. No comments from the public will be entertained at the Review Committee meetings. However, written comments are welcome.

Contact: Receptionist, Chesapeake Bay Local Assistance Department, 805 E. Broad St., Suite 701, Richmond, VA 23219, telephone (804) 225-3440 or toll-free 1-800-243-7229/TDD ☎

COUNCIL ON CHILD DAY CARE AND EARLY CHILDHOOD PROGRAMS

† **March 3, 1992 - 10 a.m. – Open Meeting**
St. Paul's College, Kiva Room in Russell Hall, Lawrenceville, Virginia. ☒ (Interpreter for deaf provided upon request)

A quarterly council meeting on child care and development block grant.

† **March 3, 1992 - 2 p.m. – Public Hearing**
St. Paul's College, Kiva Room in Russell Hall, Lawrenceville, Virginia. ☒ (Interpreter for deaf provided upon request)

† **March 17, 1992 - 2 p.m. – Public Hearing**
† **March 17, 1992 - 7 p.m. – Public Hearing**
Pearl Sample Elementary School, Culpeper County Public Schools, Intersection of Routes 15 and 29, Culpeper, Virginia. ☒ (Interpreter for deaf provided upon request)

† **March 24, 1992 - 2 p.m. – Public Hearing**
† **March 24, 1992 - 7 p.m. – Public Hearing**
Wytheville Community College, Grayson Commons, Wytheville, Virginia. ☒ (Interpreter for deaf provided upon request)

A public hearing on child care and development block grant. Public comments will be received.

Contact: Margaret A. Smith, Acting Director, Virginia Council on Child Day Care and Early Childhood Programs, Suite 1116, Washington Building, 1100 Bank Street, Richmond, VA 23219, telephone (804) 371-8603.

CHILD DAY-CARE COUNCIL

February 26, 1992 - 8 a.m. – Open Meeting
March 4, 1992 - 8 a.m. – Open Meeting
March 11, 1992 - 8 a.m. – Open Meeting
Koger Executive Center, West End, Blair Building, Conference Room, 2nd Floor, 1604 Santa Rosa Road, Richmond, Virginia. ☒ (Interpreter for deaf provided upon request)

A meeting to discuss legislation affecting child care centers, camps, school age programs, and preschool/nursery schools.

Contact: Peggy Friedenber, Legislative Analyst, Office of Governmental Affairs, Department of Social Services, 8007 Discovery Drive, Richmond, VA 23229-8699, telephone (804) 662-9217.

INTERDEPARTMENTAL REGULATION OF RESIDENTIAL FACILITIES FOR CHILDREN

Coordinating Committee

March 20, 1992 - 8:30 a.m. – Open Meeting
Office of Coordinator, Interdepartmental Regulation, 1603 Santa Rosa Road, Tyler Building, Suite 208, Richmond, Virginia. ☒

A meeting to consider such administrative and policy issues as may be presented to the committee. A period for public comment is provided at each meeting.

Contact: John J. Allen, Jr., Coordinator, 8007 Discovery Drive, Richmond, VA 23229-8699, telephone (804) 662-7124.

BOARD OF COMMERCE

February 24, 1992 - 10 a.m. – Open Meeting
Department of Commerce, 3600 West Broad Street, Richmond, Virginia. ☒

A regular quarterly meeting. Agenda will likely consist of briefings from staff on the status of bills in the General Assembly that can have an impact upon agency operations, and agency regulatory programs.

Contact: Alvin D. Whitley, Secretary/Policy Analyst, Department of Commerce, 3600 W. Broad Street,

Calendar of Events

Richmond, VA 23230, telephone (804) 367-8564.

COMPENSATION BOARD

February 27, 1992 - 5 p.m. - Open Meeting
March 26, 1992 - 5 p.m. - Open Meeting
Ninth Street Office Building, Room 913/913A, 9th Floor,
202 North Ninth Street, Richmond, Virginia. ☒ (Interpreter
for deaf provided if requested)

A routine meeting to conduct business.

Contact: Bruce W. Haynes, Executive Secretary, P.O. Box
3-F, Richmond, VA 23206-0686, telephone (804) 786-3886.

DEPARTMENT OF CONSERVATION AND RECREATION

Falls of the James Scenic River Advisory Board

† March 20, 1992 - Noon - Open Meeting
Planning Commission Conference Room, Fifth Floor, City
Hall, Richmond, Virginia.

A meeting to review river issues and programs.

Contact: Richard G. Gibbons, Environmental Program
Manager, Department of Conservation and Recreation, 203
Governor St., Suite 326, Richmond, VA 23219, telephone
(804) 786-4132 or (804) 786-2121/TDD ☎

Northlanding Scenic River Advisory Board

† March 5, 1992 - 6:30 p.m. - Open Meeting
1 Columbus Center, Virginia Beach, Virginia.

A meeting to review river issues and programs.

Contact: Richard G. Gibbons, Environmental Program
Manager, Department of Conservation and Recreation,
Division of Planning and Recreation Resources, 203
Governor St., Suite 326, Richmond, VA 23219, telephone
(804) 786-4132 or (804) 786-2121/TDD ☎

BOARD FOR CONTRACTORS

April 10, 1992 - 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 Board for Contractors
intends to amend regulations entitled: **VR 220-01-2.**
Board for Contractors Licensing Regulations. These
amendments are proposed to enhance the
administration of the board's regulations, thereby
promoting public health, safety and welfare, as well as
benefiting consumers and licensed/registered
contractors.

Contact: Florence R. Brassier, Assistant Director, 3600
West Broad Street, Richmond, VA 23230, telephone (804)
367-8557.

Complaints Committee

February 27, 1992 - 9 a.m. - Open Meeting
3600 West Broad Street, 5th Floor, Conference Room 1,
Richmond, Virginia.

A meeting to review and consider complaints filed by
consumers against licensed contractors and to review
reports from Informal Fact-Finding conferences.

Contact: A.R. Wade, Assistant Director, Investigation and
Adjudication, 3600 West Broad Street, 5th Floor, Richmond,
VA 23230, telephone (804) 367-8585.

Recovery Fund Committee

† March 26, 1992 - 9 a.m. - Open Meeting
3600 West Broad Street, Richmond, Virginia. ☒

A meeting to consider claims filed against the Virginia
Contractor Transaction Recovery Fund. This meeting
will be open to the public; however, a portion of the
discussion may be conducted in Executive Session.

Contact: Vickie Brock, Recovery Fund Administrator, 3600
West Broad Street, Richmond, VA 23230, telephone (804)
367-2394.

BOARD OF CORRECTIONS

March 11, 1992 - 10 a.m. - Open Meeting
6900 Atmore Drive, Board of Corrections Board Room,
Richmond, Virginia. ☒

A regular monthly meeting to consider such matters
as may be presented to the board.

Contact: Mrs. Vivian Toler, Secretary to the Board, 6900
Atmore Drive, Richmond, VA 23225, telephone (804)
674-3235.

Liaison Committee

March 12, 1992 - 9:30 a.m. - Open Meeting
6900 Atmore Drive, Board of Corrections Board Room,
Richmond, Virginia. ☒

A meeting to address and discuss criminal justice
issues.

Contact: Mrs. Vivian Toler, Secretary to the Board, 6900
Atmore Drive, Richmond, VA 23225, telephone (804)
674-3235.

DEPARTMENT OF CRIMINAL JUSTICE SERVICES
(BOARD OF)

March 6, 1992 - 1 p.m. - Public Hearing
Virginia Housing Development Authority, 601 South
Belvidere Street, Richmond, Virginia.

Notice is hereby given in accordance with § 9-6.14:7.1
of the Code of Virginia that the Board of Criminal
Justice Services intends to adopt regulations entitled:
VR 240-04-3. Rules Relating to the Court-Appointed
Special Advocate Program (CASA). The purpose of
the proposed regulation is to regulate the operation of
local Court-Appointed Special Advocate programs.

Statutory Authority: §§ 9-173.7 and 9-173.8 of the Code of
Virginia.

Written comments may be submitted until February 3,
1992, to Francine Ecker, Department of Criminal Justice
Services, 805 East Broad Street, Richmond, Virginia 23219.

Contact: Paula J. Scott, Executive Assistant, Department of
Criminal Justice Services, 805 East Broad Street,
Richmond, Virginia 23219, telephone (804) 786-8730.

* * * * *

April 1, 1992 - 9 a.m. - Public Hearing
General Assembly Building, House Room D, Richmond,
Virginia.

Notice is hereby given in accordance with § 9-6.14:7.1
of the Code of Virginia that the Criminal Justice
Services Board intends to amend regulations entitled:
VR 240-01-2. Rules Relating to Compulsory In-Service
Training Standards for Law-Enforcement Officers,
Jailors or Custodial Officers, Courtroom Security
Officers, Process Service Officers and Officers of
the Department of Corrections Institutional Services.
The proposed amendments mandate in-service training
requirements for those criminal justice officers
specified in the title of the regulation.

Statutory Authority: § 9-170 of the Code of Virginia.

Written comments may be submitted until March 12, 1992.

Contact: L.T. Eckenrode, Division Director, Department of
Criminal Justice Services, 805 East Broad Street,
Richmond, Virginia 23219, telephone (804) 786-4000.

* * * * *

April 1, 1992 - 9 a.m. - Public Hearing
General Assembly Building, House Room D, Richmond,
Virginia.

Notice is hereby given in accordance with § 9-6.14:7.1
of the Code of Virginia that the Criminal Justice
Services Board intends to amend regulations entitled:

VR 240-01-12. Rules Relating to Certification of
Criminal Justice Instructors. These proposed
amendments set forth mandated training requirements
for certification of Criminal Justice Instructors.

Statutory Authority: § 9-170 of the Code of Virginia.

Written comments may be submitted until March 12, 1992.

Contact: L.T. Eckenrode, Division Director, Department of
Criminal Justice Services, 805 East Broad Street,
Richmond, Virginia 23219, telephone (804) 786-8475.

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April 1, 1992 - 2:30 p.m. - Public Hearing
General Assembly Building, House Room D, Richmond,
Virginia.

Notice is hereby given in accordance with § 9-6.14:7.1
of the Code of Virginia that the Criminal Justice
Services Board intends to adopt regulations entitled:
VR 240-04-2. Rules Relating to the Forfeited Drug
Asset Sharing Program. The purpose of the proposed
regulation is to regulate the administration of the
Forfeited Drug Asset Sharing Program.

Statutory Authority: §§ 19.2-386.4, 19.2-386.10 and
19.2-386.14 of the Code of Virginia.

Written comments may be submitted until February 28,
1992.

Contact: Paula J. Scott, Executive Assistant, Department of
Criminal Justice Services, 805 East Broad Street,
Richmond, Virginia 23219, telephone (804) 786-8730.

DEPARTMENT FOR THE DEAF AND HARD OF
HEARING

February 28, 1992 - 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 for the
Deaf and Hard of Hearing intends to amend
regulations entitled: VR 245-03-01. Regulations
Governing Interpreter Services for the Deaf and
Hard of Hearing. These regulations are used to
establish guidelines for assessing transliterating or
interpreting skills of individuals who wish to achieve a
VQAS screening level.

Statutory Authority: § 63.1-85.4 of the Code of Virginia.

Written comments may be submitted until February 28,
1992.

Contact: Kathy E. Vesley, Deputy Director, Department for
the Deaf and Hard of Hearing, Washington Building,

Calendar of Events

Capitol Square, 1100 Bank Street, 12th Floor, Richmond, Virginia 23219, telephone (804) 225-2570/Voice/TDD ☎ or toll-free 1-800-552-7917/Voice/TDD ☎

STATE EDUCATION ASSISTANCE AUTHORITY

Board of Directors

† **March 12, 1992 - 10 a.m. - Open Meeting**
411 East Franklin Street, Second Floor Boardroom,
Richmond, Virginia. ☎

A general business meeting.

Contact: Catherine E. Fields, Administrative Assistant, One Franklin Square, 411 East Franklin Street, Suite 300, Richmond, VA 23219, telephone (804) 775-4648, toll-free 1-800-792-LOAN or SCATS (804) 786-2035.

DEPARTMENT OF EDUCATION (STATE BOARD OF)

† **April 24, 1992 -** 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 State Board of Education intends to repeal existing regulations entitled **VR 270-02-0000. Teacher Certification Regulations**, and to adopt new regulations entitled: **VR 270-01-0000:1. Regulations Governing the Licensure of School Personnel**. These regulations provide a basis for the licensure of school personnel including teachers, administrators, and support personnel.

NOTICE

Public hearings were scheduled in four locations statewide for February 20, 1992, four days prior to the publication of the regulations in the Virginia Register. A snow date has been set for March 5 (except in Manassas where the snow date is set for March 4).

Although initially, the hearings were inadvertently scheduled for the earlier dates, it appears that there will be significant comment from the public relative to the requirements. Department staff will need the additional time to analyze the comments and to make any necessary revisions to the proposed regulations. Written comments will be accepted through April 24, 1992.

The following steps have been (or will be in the very near future) taken to make the public aware of the public hearings:

1. Approximately 800 copies of the proposed regulations and hearing notices have been mailed to appropriate stakeholders in local school divisions, certain private schools, colleges and universities, and

professional organizations. Staff feels that we have successfully identified and reached the vast majority of stakeholders.

2. The Board of Education will issue a statewide press release to the media announcing the date and details of the hearings.

3. Information regarding the hearings will be posted on VaPEN, Virginia's Educational Computer Network. This will be available to all users nationwide who have access to the network. This will include teachers and administrators in most local school divisions and Virginia colleges and universities, as well as many of the same population nationwide.

4. Word-of-mouth announcements have been made from individuals who are members of professional organizations. These individuals include staff of the department who are members of the organizations and/or staff who have met with the organizations since the date was set back in November, 1991.

If there is sufficient opposition to any of the proposals or substantial revision to them, the Board of Education may hold a second public hearing prior to the formal adoption of the regulations.

STATEMENT

Basis: Sections 22.1-298 and 22.1-299 of the Code of Virginia.

Purpose: The purpose of licensing teachers and other instructional personnel is to maintain standards of professional competence and to ensure a level of training and preparation that will lead to successful practice in the classroom. Licensing of teachers and administrators in Virginia facilitates reciprocity in the licensure process across states.

Substance: The regulations adopted by the State Board of Education as authorized by the Code of Virginia outline the requirements to be licensed as teachers, administrators, and other support personnel. The requirements include general studies, professional studies, and specific endorsement requirements. The requirements also set forth types of licenses; procedures for adding and deleting endorsements; testing requirements; alternate route to licensure; licensure renewal; requirements governing revocation, cancellation, suspension, denial, and reinstatement of teaching licenses; and the responsibility of the Advisory Board on Teacher Education and Licensure.

Issues: Certification/licensure regulations were initially adopted in 1950 and were last amended in 1986. These regulations are being repealed and new regulations adopted. The changes were developed by the Advisory Board on Teacher Education and Certification based upon input by a steering committee and tasks forces composed of teachers, administrators, institutions of higher education

officials, and school personnel.

Major revisions include the establishment of two new licenses (school nurse and division superintendent); nine new endorsement areas (adult education, adult English as a second language, computer science, keyboarding, dance, foreign languages in elementary grades, gifted education, vocational evaluator, and vocational special needs); new procedures to adding and deleting endorsements; and a new approach to the alternative route to licensure.

Impact: These regulations will affect in-service teachers and other school personnel, local school boards, institutions of higher education, certain nonpublic schools, and license/certificate holders not currently employed in Virginia public schools.

Statutory Authority: §§ 22.1-16 and 22.1-298 of the Code of Virginia.

Written comments may be submitted until April 24, 1992.

Contact: Charles W. Finley, Associate, School Accreditation, Department of Education, P.O. Box 6-Q, Richmond, VA 23216-2060, telephone (804) 225-2747 or toll-free 1-800-292-3820.

STATE COUNCIL OF HIGHER EDUCATION FOR VIRGINIA

† **March 10, 1992 - 10 a.m. – Open Meeting**

† **April 14, 1992 - 10 a.m. – Open Meeting**

Monroe Building, Council Conference Room, 9th Floor, Monroe Building, Richmond, Virginia. ☒

A general business meeting. For more information contact the Council.

Contact: Anne Pratt, Associate Director, 101 North Fourteenth Street, 9th Floor, Monroe Building, Richmond, VA 23219, telephone (804) 225-2629.

VIRGINIA EDUCATION LOAN AUTHORITY

Board of Directors

February 24, 1992 - 10 a.m. – Open Meeting

737 North 5th Street, Third Floor Boardroom, Richmond, Virginia. ☒

A general business meeting.

Contact: Catherine E. Fields, Administrative Assistant, One Franklin Square, 411 East Franklin Street, Suite 300, Richmond, VA 23219, telephone (804) 775-4648, toll-free 1-800-792-LOAN or SCATS (804) 786-2035.

LOCAL EMERGENCY PLANNING COMMITTEE - CHESTERFIELD COUNTY

April 2, 1992 - 5:30 p.m. – Open Meeting
Chesterfield County Administration Building, 10001 Ironbridge Road, Chesterfield, Virginia. ☒

A meeting to meet requirements of Superfund Amendment and Reauthorization Act of 1986.

Contact: Linda G. Furr, Assistant Emergency Services, Chesterfield Fire Department, P.O. Box 40, Chesterfield, VA 23832, telephone (804) 748-1236.

LOCAL EMERGENCY PLANNING COMMITTEE - FAIRFAX COUNTY, THE CITY OF FAIRFAX, AND THE TOWNS OF HERNDON AND VIENNA

† **March 12, 1992 - 10 a.m. – Open Meeting**

John C. Wood Municipal Center, 3730 Old Lee Highway, Fairfax, Virginia. ☒

A general meeting.

Contact: David Duncan, 4031 University Drive, Fairfax, VA 22030, telephone (703) 246-3967.

LOCAL EMERGENCY PLANNING COMMITTEE - GLOUCESTER

† **April 22, 1992 - 6:30 p.m. – Open Meeting**

Gloucester Administration Building, Conference Room, Gloucester, Virginia. ☒ (Interpreter for deaf provided if requested)

A quarterly meeting to include a briefing on the DES, Zelda Hurricane Exercise, a report from the By-Laws Committee and approval of the final draft of LEPC Hazardous Materials Plan Update.

Contact: Georgette N. Hurley, Assistant County Administrator, P.O. Box 329, Gloucester, VA 23061, telephone (804) 693-4042.

LOCAL EMERGENCY PLANNING COMMITTEE - CITY OF PORTSMOUTH

March 11, 1992 - 9 a.m. – Open Meeting

St. Julian's Annex, Building 307, Victory Boulevard at Magazine Road, Portsmouth, Virginia.

A general meeting.

Contact: Karen Karpowski, Portsmouth Fire Department, 361 Effingham Street, Portsmouth, VA 23704-2337, telephone (804) 393-8765.

Calendar of Events

LOCAL EMERGENCY PLANNING COMMITTEE - PRINCE WILLIAM COUNTY, MANASSAS CITY, AND MANASSAS PARK CITY

† February 24, 1992 - 1:30 p.m. -- Open Meeting
† March 16, 1992 - 1:30 p.m. -- Open Meeting
1 County Complex Court, Potomac Conference Room,
Prince William, Virginia. ☒

A multi-jurisdictional local emergency planning committee to discuss issues related to hazardous substances in the jurisdictions. SARA Title III provisions and responsibilities for hazardous material emergency response planning.

Contact: John E. Medici, Hazardous Materials Officer, 1 County Complex Court, Internal Zip MC470, Prince William, VA 22192, telephone (703) 792-6800.

LOCAL EMERGENCY PLANNING COMMITTEE - WINCHESTER

† March 11, 1992 - 3 p.m. -- Open Meeting
Winchester/Frederick Economic Development Commission,
12 Rouss Avenue, Meeting Room, Winchester, Virginia.

A general meeting.

Contact: L.A. Miller, Fire Chief, Winchester Fire and Rescue Department, 126 North Cameron Street, Winchester, VA 22601, telephone (703) 662-2298.

VIRGINIA EMPLOYMENT COMMISSION

Advisory Board

† March 11, 1992 - 1 p.m. -- Open Meeting
† March 12, 1992 - 8:30 a.m. -- Open Meeting
Virginia Employment Commission, 100 Carpenter Drive,
Suite 105-A, Sterling, Virginia. ☒ (Interpreter for deaf
provided if requested)

A regular meeting.

Contact: Ralph G. Cantrell, Commissioner, Virginia Employment Commission, 703 E. Main Street, Richmond, VA 23219, telephone (804) 786-3001 or (804) 371-8050/TDD

BOARD OF FUNERAL DIRECTORS AND EMBALMERS

† April 27, 1992 -- 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 Board of Funeral Directors and Embalmers intends to amend regulations entitled: VR 320-01-2. Regulations of the Board of

Funeral Directors and Embalmers. The amendments are designed to delete the requirements for the funeral services trainee program that are now incorporated into VR 320-01-4.

STATEMENT

Basis: §§ 54.1-2400, 54.1-2803 (10) and 54.1-2820 of the Code of Virginia provide the statutory basis for promulgation of these regulations. The Board of Funeral Directors and Embalmers has approved the proposed regulations.

Purpose: The proposed regulations are designed to amend the current regulations to delete requirements for the funeral service trainee program that are now incorporated into the Board of Funeral Director and Embalmers Regulations for Funeral Service Training Program.

Impact: The proposed amendments will not impact licensees or the public. The amendments are designed to delete duplicative regulations.

Statutory Authority: §§ 54.1-2400, 54.1-2803 (10), and 54.1-2820 of the Code of Virginia.

Written comments may be submitted until April 27, 1992.

Contact: Meredyth P. Partridge, Executive Director, Board of Funeral Directors and Embalmers, 1601 Rolling Hills Drive, Richmond, VA 23229, telephone (804) 662-9907.

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† April 27, 1992 -- 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 Board of Funeral Directors and Embalmers intends to amend regulations entitled: VR 320-01-3. Regulations for Preneed Funeral Planning. The amendments are designed to bring current regulations into compliance with 1991 legislation requiring insurance policies and annuity contracts which fund preneed contracts to offer a minimum rate of return.

STATEMENT

Basis: §§ 54.1-2400, 54.1-2803 (10) and 54.1-2820 of the Code of Virginia provide the statutory basis for promulgation of the Preneed Regulations of the Board of Funeral Directors and Embalmers. The Board of Funeral Directors and Embalmers has approved the proposed regulations.

Purpose: The proposed regulations are designed to amend the current regulations to comply with legislation passed in the 1991 General Assembly and incorporated into § 54.1-2820 (B) of the Code of Virginia.

Impact: The regulations will impact funeral directors and full funeral service licensees of the Board of Funeral Directors and Embalmers engaged who sell and make preneed funeral arrangements in the Commonwealth by requiring that the funeral homes use only insurance funding products for preneed sales that comply with § 54.1-2820 (B) of the Code of Virginia.

Statutory Authority: §§ 54.1-2400, 54.1-2803 (10), and 54.1-2820 of the Code of Virginia.

Written comments may be submitted until April 27, 1992.

Contact: Meredyth P. Partridge, Executive Director, Board of Funeral Directors and Embalmers, 1601 Rolling Hills Drive, Richmond, VA 23229, telephone (804) 662-9907.

BOARD OF GAME AND INLAND FISHERIES

March 6, 1992 - 9:30 a.m. – Open Meeting
4010 West Broad Street, Richmond, Virginia. ☒ (Interpreter for deaf provided if requested)

Committees of the Board of Game and Inland Fisheries will meet to review those agenda items appropriate to its authority, beginning with the Wildlife and Boat Committee, followed by the Liaison, Finance, Planning and Law and Education Committees. In addition to the nongame regulation proposals that were carried over from the October 1991 meeting, the Wildlife and Boat Committee will also consider a proposed bear hound training season west of the Blue Ridge Mountains and receive information on fishing in the proximity of occupied waterfowl blinds.

March 7, 1992 - 9 a.m. – Open Meeting
4010 West Broad Street, Richmond, Virginia. ☒ (Interpreter for deaf provided if requested)

The board will meet to adopt for advertisement the nongame regulation proposals, and the proposed bear hound training season as well as extending the raccoon hound training season west of the Blue Ridge Mountains. These proposals will be brought back to the board for adoption as final regulations at the May 14, 15 and 16, 1992, meeting to be held in Farmville, Virginia. Committee reports will be given and other general and administrative matters, as necessary, will be discussed.

Contact: Belle Harding, Secretary to Bud Bristow, 4010 W. Broad Street, P.O. Box 11104, Richmond, VA 23230, telephone (804) 367-1000.

HAZARDOUS MATERIALS TRAINING COMMITTEE

† **February 25, 1992 - 10 a.m. – Open Meeting**
Department of Emergency Services Training Center, 308 Turner Road, Richmond, Virginia.

A meeting to discuss curriculum course development and review existing hazardous materials courses.

Contact: Roger D. Raines, 108 B. Courthouse Lane, P.O. Box 447, Bowling Green, VA 22427, telephone (804) 633-9831.



Division of Shellfish Sanitation

March 16, 1992 - 7 p.m. – Open Meeting
Eastern Shore Community College, Melfa, Virginia. ☒

A meeting to (i) discuss the shellfish sanitation program in Virginia; (ii) discuss the closure of Parker Creek, a tributary of Metompkin Bay in Accomack County; and (iii) discuss other related topics if requested.

Contact: Mary Wright, Classification Chief, 1500 East Main Street, Room 109-31, Richmond, VA 23219, telephone (804) 786-7937.

DEPARTMENT OF HEALTH (STATE BOARD OF)

February 28, 1992 – 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 State Board of Health intends to amend regulations entitled: **VR 355-30-000-06. Virginia Medical Care Facilities Certificate of Public Need Rules and Regulations.** The proposed regulations amend the existing Virginia Medical Care Facilities Certificate of Public Need (COPN) Rules and Regulations in order to implement the COPN Program to be consistent with the amended COPN law which became effective July 1, 1991.

Statutory Authority: §§ 32.1-12 and 32.1-102.1 of the Code of Virginia.

Written comments may be submitted until February 28, 1992.

Contact: Paul E. Parker, Director, Division of Resources Development, Virginia Department of Health, P.O. Box 2448, Richmond, VA 23218, telephone (804) 786-7463.

Calendar of Events

March 16, 1992 – 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 State Board of Health intends to amend regulations entitled: **VR 355-28-300. Rules and Regulations of the Board of Health, Commonwealth of Virginia, for the Immunization of School Children.** The proposed amendments will make the regulations consistent with the current recommendations of the U.S. Public Health Service.

Statutory Authority: §§ 22.1-271.1, 22.1-272.1, 32.1-46 and 32.1-12 of the Code of Virginia.

Written comments may be submitted until March 16, 1992, to A. Martin Cader, M.D., Virginia Department of Health, Division of Communicable Disease Control, P.O. Box 2448, Room 113, Richmond, VA 23218.

Contact: Marie Krauss, Executive Secretary, Virginia Department of Health, Division of Communicable Disease Control, P.O. Box 2448, Room 113, Richmond, VA 23218, telephone (804) 786-6261.

VIRGINIA HEALTH SERVICES COST REVIEW COUNCIL

February 25, 1992 - 9:30 a.m. – Open Meeting
Blue Cross/Blue Shield of Virginia, 2015 Staples Mill Road, Richmond, Virginia. ☒

The council will conduct its monthly meeting.

Contact: Kim Schulte Barnes, Information Officer, 805 East Broad St., 6th Floor, Richmond, VA 23219, telephone (804) 786-6371/TDD ☎

March 15, 1992 – Written comments may be submitted until this date.

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Virginia Health Services Cost Review Council intends to amend regulations entitled: **VR 370-01-001. Rules and Regulations of the Virginia Health Services Cost Review Council.** The proposed amendments (i) waive the audit requirement and the imposition of a penalty if an “extenuating circumstance,” such as a bankruptcy proceeding, exists; (ii) require the filing of an institution’s historical and its certified audited financial statement prior to acceptance by council of the filing of a subsequent year’s budget or the filing of any request for an interim rate increase; and (iii) require each individual licensed health care institution to submit filings, but that the screening process would still be applied to allow for hospital systems to be

analyzed systemwide by the Virginia Hospital Rate Review Program.

Statutory Authority: §§ 9-158, 9-159 and 9-164 of the Code of Virginia.

Written comments may be submitted until March 15, 1992.

Contact: G. Edward Dalton, Deputy Director, 805 E. Broad St., 6th Floor, Richmond, VA 23219, telephone (804) 786-6371/TDD ☎

VIRGINIA HISTORIC PRESERVATION FOUNDATION

March 11, 1992 - 9:30 a.m. – Open Meeting
State Treasurer’s Office, Board Room, 3rd Floor, Monroe Building, 101 North 14th Street, Richmond, Virginia. ☒ (Interpreter for deaf provided if requested)

A general business meeting.

Contact: Hugh Miller, Director or Margaret Peters, Information Director, 221 Governor Street, Richmond, VA 23219, telephone (804) 786-3143 or (804) 786-1934/TDD ☎

HOPEWELL INDUSTRIAL SAFETY COUNCIL

† **March 3, 1992 - 9 a.m.** – Open Meeting
† **April 7, 1992 - 9 a.m.** – Open Meeting
† **May 5, 1992 - 9 a.m.** – Open Meeting
Hopewell Community Center, Second & City Point Road, Hopewell, Virginia. ☒ (Interpreter for deaf provided if requested)

Local Emergency Preparedness Committee meeting on Emergency Preparedness as required by SARA Title III.

Contact: Robert Brown, Emergency Services Coordinator, 300 North Main Street, Hopewell, VA 23860, telephone (804) 541-2298.

BOARD OF HOUSING AND COMMUNITY DEVELOPMENT

Amusement Device Technical Advisory Committee

March 5, 1992 - 9 a.m. – Open Meeting
Seventh Floor Conference Room, 205 North Fourth Street, Richmond, Virginia. ☒

A meeting to review and discuss regulations pertaining to the construction, maintenance, operation and inspection of amusement devices adopted by the Board of Housing and Community Development.

Contact: Jack A. Proctor, CPCA, Deputy Director, Building Regulation, Department of Housing and Community

Development, 205 North Fourth Street, Richmond, VA 23219, telephone (804) 786-4752 or (804) 786-5405/TDD ☎

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (BOARD OF)

† **March 11, 1992 - 9 a.m.** – Public Hearing
Department of Housing and Community Development, Eighth Floor Conference Room, 205 North Fourth Street, Richmond, Virginia.

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Board of Housing and Community Development intends to adopt regulations entitled: **VR 394-01-107. Procedures for Allocation of Low-Income Housing Tax Credits.** These proposed regulations supersede the regulations published by the Virginia Housing Development Authority in 8:7 V.A.R. 1123, December 30, 1991, which are being repealed simultaneously herewith. The proposed procedures establish the administrative framework for the allocation of Low Income Housing Tax Credits by the Department of Housing and Community Development.

STATEMENT

Basis: To be adopted in accordance with the statutory authority of Chapter 8 of Title 36 of the Code of Virginia.

Substance: The proposed procedures include the following changes from the regulations that appeared in 8:7 V.A.R. 1123 December 30, 1991.

1. Substitution of the Virginia Department of Housing and Community Development for the Virginia Housing Development Authority as the Housing Credit Agency.
2. Limitation of amount of annual credits that may be allocated to a nonprofit applicant to an aggregate of \$500,000 from the nonprofit pool and any combination of the nonprofit pool and another pool.
3. Limitation of the amount of annual credits that may be allocated to any project from any pool to \$1,000,000, unless the size of that pool exceeds the sum of the amount of annual credits for which that project and others in that pool that have been determined to be eligible, in which case the excess credits may be allocated to projects exceeding \$1,000,000 in annual credits in the order in which they have been ranked by the Department.
4. The scoring criteria for projects applying for Low-Income Housing Tax Credits have been revised.

Impact: The regulation impacts potential applicants for Low-Income Housing Tax Credits, which are a means for sponsors of rental housing for low-income persons to secure investments in their projects.

Statutory Authority: §§ 36-143, 36-146 and 36-147 of the Code of Virginia; § 42 of the Internal Revenue Code; and Governor's Executive Order No. Forty (91).

Written comments may be submitted until March 11, 1992.

Contact: Graham Driver, Program Administrator, 205 North Fourth Street, Richmond, VA 23219, telephone (804) 786-7891.

COUNCIL ON INFORMATION MANAGEMENT

† **March 20, 1992 - 9 a.m.** – Open Meeting
1100 Bank Street, 9th Floor Conference Room, Richmond, Virginia. ☒

A regular business meeting.

Contact: Linda Hening, Administrative Assistant, 1100 Bank Street, Suite 901, Richmond, VA 23219, telephone (804) 225-3622 or (804) 225-3624/TDD ☎

DEPARTMENT OF LABOR AND INDUSTRY

Safety and Health Codes Board

February 25, 1992 - 10 a.m. – Open Meeting
The Virginia Housing Center, Conference Room #2, 601 South Belvidere Street, Richmond, Virginia. ☒

The agenda of the board will include Occupational Exposure to Bloodborne Pathogens; Final Rule; 1910.1030.

Contact: John J. Crisanti, Director, Enforcement Policy Office, Department of Labor and Industry, 13 South 13th St., Richmond, VA 23219, telephone (804) 786-2384.

LIBRARY BOARD

March 17, 1992 - 9:30 a.m. – Open Meeting
Virginia State Library and Archives, 3rd Floor, Supreme Court Room, 11th Street at Capitol Square, Richmond, Virginia. ☒

A meeting to discuss administrative matters.

Contact: Jean H. Taylor, Secretary to State Librarian, Virginia State Library and Archives, 11th Street at Capitol Square, Richmond, VA 23219, telephone (804) 786-2332.

STATE COUNCIL ON LOCAL DEBT

March 18, 1992 - 11 a.m. – Open Meeting
101 North 14th Street, James Monroe Building, 3rd Floor, Treasury Board Conference Room, Richmond, Virginia. ☒

Calendar of Events

A regular meeting; subject to cancellation unless there are action items requiring the Council's consideration. Persons interested in attending should call one week prior to meeting date to ascertain whether or not the meeting is to be held as scheduled.

Contact: Art Bowen, Senior Debt Analyst, Department of the Treasury, P.O. Box 6-H, Richmond, VA 23215, telephone (804) 225-4929.

COMMISSION ON LOCAL GOVERNMENT

† **March 24, 1992 - 10:30 a.m.** – Open Meeting
Prince Edward County Board of Supervisors Meeting Room, Courthouse Building, North Main Street, Farmville, Virginia.

Oral presentations regarding petition filed by the Town of Farmville requesting approval of a voluntary settlement with the County of Prince Edward.

Persons desiring to participate in the Commission's oral presentations and requiring special accommodations or interpreter services should contact the Commission's offices by Friday, March 20, 1992.

† **March 24, 1992 - 7:30 p.m.** – Public Hearing
Courthouse Building, North Main Street, Farmville, Virginia.

Public hearing regarding petition filed by the Town of Farmville requesting approval of a voluntary settlement with the County of Prince Edward.

Persons desiring to participate in the Commission's oral presentations and requiring special accommodations or interpreter services should contact the Commission's offices by Friday, March 20, 1992.

† **March 25, 1992 - 9 a.m.** – Open Meeting
Site to be determined.

A regular meeting to consider such matters as may be presented.

Persons desiring to participate in the Commission's oral presentations and requiring special accommodations or interpreter services should contact the Commission's offices by Friday, March 20, 1992.

Contact: Barbara W. Bingham, Administrative Assistant, 702 Eighth Street Office Building, Richmond, VA 23219, telephone (804) 786-6508 or (804) 786-1860/TDD ☎

STATE LOTTERY BOARD

February 24, 1992 - 10 a.m. – Open Meeting
State Lottery Department, 2201 West Broad Street, Richmond, Virginia. ☒

A regular monthly meeting. Business will be conducted according to items listed on the agenda which has not yet been determined. Two periods for public comment are scheduled.

Contact: Barbara L. Robertson, Lottery Staff Officer, State Lottery Department, 2210 W. Broad Street, Richmond, VA 23901, telephone (804) 367-9433.

MARINE RESOURCES COMMISSION

February 25, 1992 - 9:30 a.m. – Open Meeting
† **March 24, 1992 - 9:30 a.m.** – Open Meeting
† **April 28, 1992 - 9:30 a.m.** – Open Meeting
2600 Washington Avenue, 4th Floor, Room 403, Newport News, Virginia. ☒ (Interpreter for deaf provided upon request)

The commission will hear and decide marine environmental matters at 9:30 a.m.: permit applications for projects in wetlands, bottom lands, coastal primary sand dunes and beaches; appeals of local wetland board decisions; policy and regulatory issues.

The commission will hear and decide fishery management items at approximately 2 p.m.: regulatory proposals, fishery management plans, fishery conservation issues, licensing, shellfish leasing.

Meetings are open to the public. Testimony is taken under oath from parties addressing agenda items on permits and licensing. Public comments are taken on resource matters, regulatory issues, and items scheduled for public hearing. The commission is empowered to promulgate regulations in the areas of marine environmental management and marine fishery management.

Contact: Cathy W. Everett, Secretary to the Commission, P.O. Box 756, Room 1006, Newport News, VA 23607, telephone (804) 247-8088 or (804) 247-2292/TDD ☎

DEPARTMENT OF MEDICAL ASSISTANCE SERVICES (BOARD OF)

March 27, 1992 – 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 Board of Medical Assistance Services intends to amend regulations entitled: **State Plan for Medical Assistance Relating to Specialized Care Services: VR 460-02-3.1300. Standards Established and Methods Used to Assure High Quality Care; VR 460-02-4.1940. Methods and Standards for Establishing Payment Rates - Long-Term Care; and VR 460-03-4.1944. Class Resource Cost Assignment, Computation of Service Intensity Index and Ceiling and Rate Adjustments to**

the Prospective Direct Patient Care Operating Cost Rate - Allowance for Inflation Methodology Base "Current" Operating Rate (Appendix IV to Nursing Home Payment System). This proposal establishes existing agency policies for providing services to eligible recipients who require intensive nursing and other medical services.

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

Written comments may be submitted until 4:30 p.m., March 27, 1992, to Mary Chiles, Manager, Division of Quality Care Assurance, Department of Medical Assistance Services, 600 East Broad Street, Suite 1300, Richmond, VA 23219.

Contact: Victoria P. Simmons, Regulatory Coordinator, Department of Medical Assistance Services, 600 East Broad Street, Suite 1300, Richmond, VA 23229, telephone (804) 786-7933.

April 10, 1992 - 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 Board of Medical Assistance Services intends to amend regulations entitled: State Plan for Medical Assistance Relating to Inpatient Hospital Settlement Agreement: VR 460-02-4.1910. Methods and Standards for Establishing Payment Rates-Inpatient Hospital Care. This regulation proposes to incorporate into the plan the provisions of the lawsuit final settlement agreement between the Commonwealth and the Virginia Hospital Association.

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

Written comments may be submitted until 4:30 p.m., April 10, 1992, to Wm. R. Blakely, Director, Division of Cost Settlement and Audit, Department of Medical Assistance Services, 600 East Broad Street, Suite 1300, Richmond, VA 23219.

Contact: Victoria P. Simmons, Regulatory Coordinator, Department of Medical Assistance Services, 600 East Broad Street, Suite 1300, Richmond, VA 23229, telephone (804) 786-7933.

April 10, 1992 - 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 Board of Medical Assistance Services intends to amend regulations entitled: State Plan for Medical Assistance Relating to Provider Disputes and Date of Acquisition. VR

460-03-4.1912. Dispute Resolution for State-Operated Providers; VR 460-02-4.1920. Methods and Standards for Establishing Payment Rates-Other Types of Care; VR 460-03-4.1940:1. Nursing Home Payment System (PIRS). These amendments establish an appeal mechanism for state-owned facilities which are Medicaid providers and also define a nursing facility's date of acquisition when it is sold.

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

Written comments may be submitted until 4:30 p.m., April 10, 1992, to Wm. R. Blakely, Director, Division of Cost Settlement and Audit, Department of Medical Assistance Services, 600 East Broad Street, Suite 1300, Richmond, VA 23219.

Contact: Victoria P. Simmons, Regulatory Coordinator, Department of Medical Assistance Services, 600 East Broad Street, Suite 1300, Richmond, VA 23229, telephone (804) 786-7933.

BOARD OF MEDICINE

March 31, 1992 - 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 Board of Medicine intends to amend regulations entitled: VR 465-09-01. Certification for Optometrists to Prescribe for and Treat Certain Diseases or Abnormal Conditions of the Human Eye and its Adnexa with Certain Therapeutic Pharmaceutical Agents. The proposed amendments (i) delete the CPR requirements; (ii) redefine the examination format; (iii) redefine the diseases and conditions of the human eye and its adnexa; (iv) add new therapeutic agents; and (v) add a method to treat emergencies.

Statutory Authority: §§ 54.1-2400, 54.1-2957.1, 54.1-2957.2 and 54.1-2957.3 of the Code of Virginia.

Written comments may be submitted until March 31, 1992, to Hilary H. Connor, M.D., Executive Director, Board of Medicine, 1601 Rolling Hills Dr., Richmond, VA 23229.

Contact: Eugenia K. Dorson, Deputy Executive Director, 1601 Rolling Hills Dr., Richmond, VA 23229, telephone (804) 662-9925.

April 13, 1992 - 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 Board of Medicine intends to amend regulations entitled: VR 465-05-01. Regulations Governing the Practice of Physician's

Calendar of Events

Assistants. The proposed amendment (i) establishes procedures for maintaining records of approved invasive procedures performed by the assistant; (ii) provides reports to the board upon request of the number of procedures performed and complications resulting from such procedures; (iii) establishes unprofessional conduct for failure to maintain such records; (iv) establishes that the scope of practice shall be the specialty of the supervising physician; and (v) establishes that any acute or significant finding or change of a patient's clinical status by an assistant must be reported to the supervising physician within one hour of findings.

Statutory Authority: § 54.1-2400 of the Code of Virginia.

Written comments may be submitted until April 13, 1992, to Hilary H. Connor, M.D., Executive Director, Board of Medicine, 1601 Rolling Hills Dr., Richmond, VA 23229.

Contact: Eugenia K. Dorson, Deputy Executive Director, 1601 Rolling Hills Dr., Richmond, VA 23229, telephone (804) 662-9925.

Advisory Committee on Acupuncture

† **March 31, 1992 - 10 a.m. – Open Meeting**
Department of Health Professions, Board Room 2, 1601 Rolling Hills Drive, Richmond, Virginia. ☒

A meeting to review public comments and prepare regulations VR 465-11-01 for the practice of licensed acupuncturists, pursuant to § 54.1-2400 of the Code of Virginia. Public comments will not be entertained by the Advisory Committee.

Contact: Eugenia K. Dorson, Deputy Executive Director, 1601 Rolling Hills Drive, Richmond, VA 23229, telephone (804) 662-9925.

Credentials Committee

† **April 11, 1992 - 8 a.m. – Open Meeting**
Department of Health Professions, Board Room 3, 1601 Rolling Hills Drive, Richmond, Virginia. ☒

A meeting to (i) conduct general business; (ii) interview and review medical credentials of applicants applying for licensure in Virginia, in open and executive session; and (iii) discuss any other items which may come before the committee. Public comments will not be received.

Contact: Eugenia K. Dorson, Deputy Executive Director, 1601 Rolling Hills Drive, Richmond, VA 23229, telephone (804) 662-9925.

Executive Committee

† **April 10, 1992 - 9 a.m. – Open Meeting**
Department of Health Professions, Board Room 1, 1601

Rolling Hills Drive, Richmond, Virginia. ☒

A meeting to (i) review closed cases; (ii) review cases/files requiring administrative action; (iii) adopt for final promulgation Regulations VR 465-03-01 Physical Therapy, VR 465-09-01 Optometry; (iv) review and approve for promulgation Regulations VR 465-11-01 Acupuncturists; and (v) consider any other items which may come before the committee. Public comments will not be received.

Contact: Eugenia K. Dorson, Deputy Executive Director, 1601 Rolling Hills Drive, Richmond, VA 23229, telephone (804) 662-9925.

Legislative Committee

March 13, 1992 - 10 a.m. – Open Meeting
Department of Health Professions, Board Room 3, 1601 Rolling Hills Drive, Richmond, Virginia. ☒

A meeting to (i) discuss and develop a position on liposuction and blood testing by dentists; (ii) discuss use of diet medication and chelation therapy; (iii) develop regulations regarding advertising; and (iv) discuss other items which may come before the committee. The Legislative Committee will not entertain public comments.

Contact: Eugenia K. Dorson, Deputy Executive Director, 1601 Rolling Hills Drive, Richmond, VA 23229, telephone (804) 662-9925.

Advisory Board on Occupational Therapy

† **April 16, 1992 - 9 a.m. – Open Meeting**
Department of Health Professions, Board Room 2, 1601 Rolling Hills Drive, Richmond, Virginia. ☒

A meeting to (i) review the AOTA's possible change in the accreditation of OT educational programs; (ii) review the content outlines for the AOTCB certification examination; (iii) review the reference guide for the OT Code of Ethics; (iv) review the utilization of specific modalities relating to practice; and (v) discuss other items which may come before the advisory board. Public comments will be received at the pleasure of the chairperson.

Contact: Eugenia K. Dorson, Deputy Executive Director, 1601 Rolling Hills Drive, Richmond, VA 23229, telephone (804) 662-9925.

Advisory Board on Physical Therapy

March 6, 1992 - 9 a.m. – Open Meeting
Department of Health Professions, Board Room 2, 1601 Rolling Hills Drive, Richmond, Virginia. ☒

A meeting to (i) review and respond to public comments on proposed regulations, bylaws, procedure

manuals; (ii) receive reports; and (iii) discuss other items which may come before the advisory board. Public comments will be received at the pleasure of the chairperson.

Contact: Eugenia K. Dorson, Deputy Executive Director, 1601 Rolling Hills Drive, Richmond, VA 23229, telephone (804) 662-9925.

DEPARTMENT OF MENTAL HEALTH, MENTAL RETARDATION AND SUBSTANCE ABUSE SERVICES

Alzheimer's Disease and Related Disorders Commission

February 24, 1992 - 1 p.m. – Open Meeting
Lucy Corr Nursing Home, 16800 Lucy Corr Drive, Chesterfield, Virginia. ☒

A quarterly meeting to discuss special care units and legislation pertaining to Alzheimer's Disease.

Contact: Sandra Rollins, Director, Geriatric Services, Department of Mental Health, Mental Retardation and Substance Abuse Services, P.O. Box 1797, Richmond, VA 23214, telephone (804) 786-1530 or SCATS (804) 371-4837.

DEPARTMENT OF MENTAL HEALTH, MENTAL RETARDATION AND SUBSTANCE ABUSE SERVICES (STATE BOARD)

April 10, 1992 – 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 State Mental Health, Mental Retardation and Substance Abuse Services Board intends to adopt regulations entitled: **VR 470-05-01. Certification of Case Management.** These regulations establish requirements which facilities must meet in order to receive reimbursement from Medicaid for Case Management Services. The regulations require that case managers meet knowledge, skills and abilities set forth in the regulations and that facilities meet the standards established by the regulations.

Statutory Authority: §§ 37.1-10 and 37.1-179 et seq. of the Code of Virginia, and § I-92, Item 466.F.5 of the 1990-92 Appropriation Act.

Written comments may be submitted until April 10, 1992, to Ben Saunders, Department of Mental Health, Mental Retardation and Substance Abuse Services, P.O. Box 1797, Richmond, VA 23229.

Contact: Rubyjean Gould, Director of Administrative Services, Department of Mental Health, Mental Retardation and Substance Abuse Services, P.O. Box 1797, Richmond, VA 23214, telephone (804) 786-3915.

STATE MENTAL HEALTH, MENTAL RETARDATION AND SUBSTANCE ABUSE SERVICES BOARD

February 26, 1992 - 10 a.m. – Open Meeting
Central Office, James Madison Building, 109 Governor Street, Richmond, Virginia. ☒

A regular monthly meeting. The agenda will be published on February 19, and may be obtained by calling Jane V. Helfrich.

Tuesday: Informal Session - 8 p.m.

Wednesday: Committee Meetings - 9 a.m.

Wednesday: Regular Session - 10 a.m.

See agenda for location.

† **March 25, 1992 - 10 a.m. – Open Meeting**
Rappahannock-Rapidan Community Services Board, Culpeper, Virginia. ☒

A regular monthly meeting. The agenda will be published on March 18, and may be obtained by calling Jane V. Helfrich.

Tuesday: Informal Session - 8 p.m.

Wednesday: Committee Meetings - 9 a.m.

Wednesday: Regular Session - 10 a.m.

See agenda for location.

Contact: Jane V. Helfrich, Board Administrator, State Mental Health, Mental Retardation and Substance Abuse Services Board, P.O. Box 1797, Richmond, VA 23214, telephone (804) 786-3921.

MIDDLE VIRGINIA BOARD OF DIRECTORS AND THE MIDDLE VIRGINIA COMMUNITY CORRECTIONS RESOURCES BOARD

March 5, 1992 - 7 p.m. – Open Meeting
502 South Main Street #4, Culpeper, Virginia.

From 7 p.m. until 7:30 p.m. the Board of Directors will hold a business meeting to discuss DOC contract, budget, and other related business. Then the CCRB will meet to review cases before for eligibility to participate with the program. It will review the previous month's operation (budget and program related business).

Contact: Lisa Ann Peacock, Program Director, 502 South Main Street #4, Culpeper, VA 22701, telephone (703) 825-4562.

Calendar of Events

BOARD OF NURSING

† **March 23, 1992 - 9 a.m.** – Open Meeting
Department of Health Professions, Conference Room 1,
1601 Rolling Hills Drive, Richmond, Virginia. ☒
(Interpreter for deaf provided upon request)

A regular meeting to consider matters related to nursing education programs, discipline of licensees, licensure by examination and endorsement and other matters under the jurisdiction of the board.

Public comment will be received during an open forum session beginning at 11 a.m.

† **March 24, 1992 - 9 a.m.** – Open Meeting
† **March 25, 1992 - 9 a.m.** – Open Meeting
Department of Health Professions, Conference Room 1,
1601 Rolling Hills Drive, Richmond, Virginia. ☒
(Interpreter for deaf provided upon request)

A regular meeting to consider matters related to nursing education programs, discipline of licensees, licensure by examination and endorsement and other matters under the jurisdiction of the board.

† **March 26, 1992 - 9 a.m.** – Open Meeting
Department of Health Professions, Conference Room 1,
1601 Rolling Hills Drive, Richmond, Virginia. ☒
(Interpreter for deaf provided upon request)

Formal hearings will be conducted by a quorum of the members of the board.

Contact: Corrinne F. Dorsey, Executive Director, 1601 Rolling Hills Drive, Richmond, VA 23229, telephone (804) 662-9909 or (804) 6762-7197/TDD ☎

Education Advisory Committee

† **March 17, 1992 - 10 a.m.** – Open Meeting
Department of Health Professions, Conference Room 3,
1601 Rolling Hills Drive, Richmond, Virginia. ☒
(Interpreter for deaf provided upon request)

A regular meeting to consider matters related to educational programs approved by the Board of Nursing and make recommendations to the board as needed.

Public comment will be accepted at 1 p.m.

Contact: Corrinne F. Dorsey, Executive Director, 1601 Rolling Hills Drive, Richmond, VA 23229, telephone (804) 662-9909 or (804) 662-7197/TDD ☎

BOARD OF NURSING HOME ADMINISTRATORS

† **March 4, 1992 - 8:30 a.m.** – Open Meeting
† **March 5, 1992 - 8:30 a.m.** – Open Meeting

1601 Rolling Hills Drive, Richmond, Virginia. ☒

Board meeting and formal and informal conferences.

Contact: Meredyth P. Partridge, Executive Director, 1601 Rolling Hills Drive, Richmond, VA 23229-5005, telephone (804) 662-9111.

BOARDS OF NURSING AND MEDICINE

March 12, 1992 – 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 Boards of Nursing and Medicine intend to adopt regulations entitled: **VR 465-12-1 and VR 495-03-1. Regulations for Prescriptive Authority for Nurse Practitioners.** The proposed regulations authorize limited prescriptive authority for nurse practitioners as allowed by changes in law enacted during the 1991 session of the General Assembly of Virginia.

Statutory Authority: §§ 54.1-2400 and 54.1-2757.01 of the Code of Virginia.

Written comments may be submitted until March 12, 1992.

Contact: Corrine F. Dorsey, R.N., Executive Director, Board of Nursing, 1601 Rolling Hills Drive, Richmond, VA 23229, telephone (804) 662-9909.

REAL ESTATE BOARD

† **March 9, 1992 - 10 a.m.** – Open Meeting
Fredericksburg Juvenile Courtroom, Fredericksburg Juvenile and Domestic Relations Court, 701 Princess Anne Street, Fredericksburg, Virginia.

The board will meet to conduct a formal hearing: File No. 91-00371, Real Estate Board v. Clayton D. Boutchyard.

Contact: Gayle Eubank, Hearings Coordinator, Department of Commerce, 3600 W. Broad Street, Fifth Floor, Richmond, VA 23230, telephone (804) 367-8524.

DEPARTMENT OF SOCIAL SERVICES (BOARD OF)

February 28, 1992 – 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 Board of Social Services intends to repeal regulations entitled: **VR 615-25-01. Minimum Standards for Licensed Family Day Care Homes.** The existing regulation, Minimum Standards for Licensed Family Day Care Homes, is

proposed for repeal while concurrently promulgating Minimum Standards for Licensed Group Family Day Care Homes.

Statutory Authority: § 63.1-202 of the Code of Virginia.

Written comments may be submitted until February 28, 1992.

Contact: Peggy Friedenberg, Legislative Analyst, Office of Governmental Affairs, Department of Social Services, 8007 Discovery Drive, Richmond, VA 23229-8699, telephone (804) 662-9217.

February 28, 1992 - 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 Board of Social Services intends to adopt regulations entitled: VR 615-25-01:1. Minimum Standards for Licensed Group Family Day Care Homes. The proposed regulation makes major additions and revisions in the licensing standards caused by changes in the Code of Virginia relating to a group family day care homes and deemed necessary to update licensing requirements which have not been significantly revised since 1979.

Statutory Authority: § 63.1-202 of the Code of Virginia.

Written comments may be submitted until February 28, 1992.

Contact: Peggy Friedenberg, Legislative Analyst, Office of Governmental Affairs, Department of Social Services, 8007 Discovery Drive, Richmond, VA 23229-8699, telephone (804) 662-9217.

April 10, 1992 - 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 Board of Social Services intends to amend regulations entitled: VR 615-70-17. Child Support Enforcement Program. The proposed amendments address four areas: (i) administrative deviation from the child support guideline/multiple family situations; (ii) default obligations; (iii) release of information to the public; and (iv) technical items.

Statutory Authority: §§ 63.1-25 and 63.1-249 through 63.1-274.10 of the Code of Virginia.

Written comments may be submitted until April 10, 1992, to Penelope Boyd Pellow, Division of Child Support Enforcement, 8007 Discovery Drive, Richmond, VA

23229-8699.

Contact: Margaret J. Friedenberg, Legislative Analyst, Office of Governmental Affairs, Department of Social Services, 8007 Discovery Drive, Richmond, VA 23229-8699, telephone (804) 662-9217.

STATE BOARD OF SOCIAL SERVICES

† March 18, 1992 - 2 p.m. - Open Meeting
† March 19, 1992 - 9 a.m. if necessary - Open Meeting
Holiday Inn - Culpeper, Route 29 South, Culpeper, Virginia. ☒

Work session and formal business meeting of the board.

Contact: Phyllis Sisk, Administrative Staff Specialist, Department of Social Services, 8007 Discovery Drive, Richmond, VA 23229, telephone (804) 662-9236, toll-free 1-800-552-3431 or 1-800-552-7096/TDD ☎

COMMONWEALTH TRANSPORTATION BOARD

† March 18, 1992 - 2 p.m. - Open Meeting
Virginia Department of Transportation, Board Room, 1401 East Broad Street, Richmond, Virginia. ☒ (Interpreter for deaf provided upon request)

Work session of the Commonwealth Transportation Board and the Department of Transportation staff.

† March 19, 1992 - 10 a.m. - Open Meeting
Virginia Department of Transportation, Board Room, 1401 East Broad Street, Richmond, Virginia. ☒ (Interpreter for deaf provided upon request)

A monthly meeting to vote on proposals presented regarding bids, permits, additions and deletions to the highway system, and any other matters requiring board approval.

Public comment will be received at the outset of the meeting on items on the meeting agenda for which the opportunity for public comment has not been afforded the public in another forum. Remarks will be limited to five minutes. Large groups are asked to select one individual to speak for the group. The board reserves the right to amend these conditions.

Contact: John G. Milliken, Secretary of Transportation, 1491 East Broad Street, Richmond, VA 23219, telephone (804) 786-6670.

DEPARTMENT OF TRANSPORTATION (COMMONWEALTH TRANSPORTATION BOARD)

April 13, 1992 - 9:30 a.m. - Public Hearing

Calendar of Events

Front Auditorium, Old Highway Building, 1221 East Broad Street, Richmond, Virginia.

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Commonwealth Transportation Board intends to amend regulations entitled: **VR 385-01-09. Public Participation Guidelines.** The Administrative Process Act (§ 9-6.14:1 et seq.) of the Code of Virginia requires the Department of Transportation to establish guidelines under which input from the public can be gathered during the adoption of regulations subject to the Act. The amendments to the Public Participation Guidelines update references in the text which are no longer correct.

The amendments also change the requirement that a 60-day time period must elapse between notice of the public hearing and a public hearing. As proposed, the 60-day period would extend from the date of public notice to the last date given in the notice for submission of any written comment, which is the requirement of the Act itself. This change was made to reduce the amount of time before a regulation becomes effective, thereby streamlining the process.

Statutory Authority: §§ 33.1-12 and 9.6-14:1 et seq. of the Code of Virginia.

Written comments may be submitted until April 20, 1992, to Larry D. Jones, Management Services Division, Room 712, Highway Annex, Virginia Department of Transportation, 1401 E. Broad Street, Richmond, VA 23219.

Contact: David L. Roberts, Management Lead Analyst, Management Services Division, Room 712, Highway Annex, Virginia Department of Transportation, 1401 E. Broad Street, Richmond, VA 23219, telephone (804) 786-3620.

TREASURY BOARD

March 18, 1992 - 9 a.m. – Open Meeting
James Monroe Building, 101 North 14th Street, 3rd floor, Treasury Board Conference Room, Richmond, Virginia. ☒

A regular meeting.

Contact: Belinda Blanchard, Assistant Investment Officer, Department of the Treasury, P.O. Box 6-H, Richmond, VA 23215, telephone (804) 225-2142.

UNIVERSITY OF VIRGINIA

Institute of Law, Psychiatry and Public Policy

March 12, 1992 - 9 a.m. – Open Meeting
March 13, 1992 - 9 a.m. – Open Meeting
Richmond Hyatt Hotel, Richmond, Virginia. ☒

Fifteenth annual symposium on mental health law issues including: (i) patient self-determination act; (ii) substance abuse and AIDS; (iii) management of care; (iv) child sexual abuse - changes in the statute of limitations; (v) satanism and ritualistic crime; (vi) workshops on civil commitment, ethical concerns regarding incompetent assent; and (vii) Americans with Disabilities Act.

Contact: Carolyn L. Engelhard, Administrator, Institute of Law, Psychiatry and Public Policy, University of Virginia, Box 100, Blue Ridge Hospital, Charlottesville, VA 22901, telephone (804) 924-5435 or (804) 924-HEAR/TDD ☒

VIRGINIA RACING COMMISSION

March 18, 1992 - 9:30 a.m. – Open Meeting
VSRS Building, 1200 East Main Street, Richmond, Virginia. ☒

A regular meeting including discussion of proposed regulations pertaining to the Virginia Breeders Fund and medication. There will be an opportunity for public participation.

Contact: William H. Anderson, Policy Analyst, Virginia Racing Commission, P.O. Box 1123, Richmond, VA 23208, telephone (804) 371-7363.

VIRGINIA RESOURCES AUTHORITY

March 10, 1992 - 9 a.m. – Open Meeting
The Mutual Building, 909 East Main Street, Suite 707, Conference Room A, Richmond, Virginia.

The board will meet to (i) approve minutes of its previous meeting; (ii) review the Authority's operations for the prior months; and (iii) consider other matters and take other actions as it 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.

Public comments will be received at the beginning of the meeting.

Contact: Mr. Shockley D. Gardner, Jr., 909 East Main Street, Suite 707, Mutual Building, Richmond, VA 23219, telephone (804) 644-3100 or FAX number (804) 644-3109.

DEPARTMENT FOR THE VISUALLY HANDICAPPED

Advisory Committee on Services

† **April 4, 1992 - 10:30 a.m. – Open Meeting**
Virginia Rehabilitation Center for the Blind, 401 Azalea Avenue, Richmond, Virginia. ☒ (interpreter for deaf provided upon request)

A quarterly meeting to advise the Board for the Visually Handicapped on matters related to services for blind and visually impaired citizens of the Commonwealth.

Contact: Barbara G. Tyson, Executive Secretary, 397 Azalea Avenue, Richmond, VA 23227, telephone (804) 371-3140/TDD ☎ or toll-free 1-800-622-2155.

VIRGINIA COUNCIL ON VOCATIONAL EDUCATION

February 25, 1992 - 1 p.m. – Open Meeting
Sheraton Airport Inn, 4700 South Laburnum Avenue, Richmond, Virginia.

- 1 p.m. - Committee Meetings
- 2 p.m. - General Session
- 3 p.m. - Work Session

February 26, 1992 - time and location to be announced – Open Meeting

Meeting with Virginia Board of Education.

Contact: George S. Orr, Jr., Virginia Council on Vocational Education, 7420-A Whitepine Road, Richmond, VA 23237, telephone (804) 275-6218.

VIRGINIA VOLUNTARY FORMULARY BOARD

March 18, 1992 - 10 a.m. – Public Hearing
109 Governor Street, Main Floor Conference Room, Richmond, Virginia.

A public hearing to consider the proposed adoption and issuance of revisions to the Virginia Voluntary Formulary. The proposed revisions to the Formulary add and delete drugs and drug products to the Formulary that became effective on February 15, 1991, and the most recent supplement to that Formulary. Copies of the proposed revisions to the Formulary are available for inspection at the Virginia Department of Health, Bureau of Pharmacy Services, James Madison Building, 109 Governor Street, Richmond, Virginia 23219. Written comments sent to the above address and received prior to 5 p.m. on March 18, 1992, will be made a part of the hearing record.

† **May 7, 1992 - 10:30 a.m. – Open Meeting**
1100 Bank Street, Washington Building, 2nd Floor Board Room, Richmond, Virginia.

A meeting to consider public hearing comments and review new product data for products pertaining to the Virginia Voluntary Formulary.

Contact: James K. Thomson, Director, Bureau of Pharmacy Services, 109 Governor Street, Room B1-9,

Richmond, VA 23219, telephone (804) 786-4236.

DEPARTMENT OF WASTE MANAGEMENT (VIRGINIA WASTE MANAGEMENT BOARD)

February 24, 1992 - 10 a.m. – Public Hearing
101 North 14th Street, Conference Room C, Richmond, Virginia.

February 26, 1992 - 1 p.m. – Public Hearing
Room 2123, Amherst Building, Central Virginia Community College, Lynchburg, Virginia.

Notice is hereby given in accordance with § 9-6.14:7.1 of the Code of Virginia that the Virginia Waste Management Board intends to adopt regulations entitled: **VR 672-20-11. Solid Waste Management Facility Permit Application Fees.** The purpose of the proposed regulation is to establish schedules and procedures pertaining to the payment and collection of fees from any applicant seeking a new permit or seeking an amendment to an existing permit for operation of a solid or infectious waste management facility in the Commonwealth.

Statutory Authority: § 10.1-1402 of the Code of Virginia.

Written comments may be submitted until March 1, 1992.

Contact: W. Gulevich, 101 N. 14th Street, Richmond, Virginia 23219, telephone (804) 371-2383.

February 27, 1992 - 7:30 p.m. – Public Hearing
Charles City County Community Neighborhood Center, Neighborhood Facility Building located in Courthouse Complex, 10600 Courthouse Road, Charles City, Virginia. ☒

Pursuant to the requirements of Part VII of the Virginia Solid Waste Management Regulations (Permitting of Solid Waste Management Facilities), the Department of Waste Management will hold a public hearing on the draft permit amendments proposed by Chambers, Inc., on behalf of Charles City County for a vertical expansion of the landfill, design, operational and closure plan changes.

The public comment period will extend until March 9 at 5 p.m. A copy of the proposed draft permit amendments may be obtained from Russell McAvoy Jr., Department of Waste Management, Sixth Floor, Monroe Building, 101 North 14th Street, Richmond, VA 23219.

Contact: Hassan Vakili, Environmental Technical Services Administrator, Virginia Department of Waste Management, Sixth Floor, Monroe Building, 101 N. 14th Street, Richmond, Virginia 23219, telephone (804) 371-0519 or toll-free 1-800-552-2075.

February 28, 1992 - 11 a.m. – Public Hearing

Calendar of Events

Virginia Department of Waste Management, 11th Floor, Monroe Building, 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 Virginia Waste Management Board intends to amend regulations entitled: **VR 672-30-1. Virginia Regulations Governing the Transportation of Hazardous Materials.** The purpose of the proposed amendments is to incorporate by reference changes that were made by U.S. DOT to Title 49, Code of Federal Regulations from July 1, 1990, to June 30, 1991.

Statutory Authority: §§ 10.1-1402 and 10.1-1450 of the Code of Virginia.

Written comments may be submitted until February 28, 1992, to John E. Fly, Virginia Department of Waste Management, 11th Floor, Monroe Building, Richmond, Virginia 23219.

Contact: C. Ronald Smith, Hazardous Waste Enf. Chief, Virginia Department of Waste Management, 11th Floor, Monroe Building, 101 N. 14th Street, Richmond, Virginia 23219, telephone (804) 225-4761 or toll-free 1-800-552-2075.

VIRGINIA WASTE MANAGEMENT FACILITY OPERATORS BOARD

† **February 27, 1992 - Noon** – Open Meeting
Virginia Department of Commerce, 3600 West Broad Street, Richmond, Virginia. ☐

A regular meeting.

Contact: Nelle P. Hotchkiss, Assistant Director, Virginia Department of Commerce, 3600 W. Broad Street, Richmond, Virginia 23234, telephone (804) 367-8595.

STATE WATER CONTROL BOARD

March 2, 1992 – 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 State Water Control Board intends to amend regulations entitled: **VR 680-21-00. Water Quality Standards.** The purpose of the proposal is to adopt, for statewide application, standards for toxics for protection of aquatic life and human health to comply with the Clean Water Act. The board will hold a formal hearing at a time and place to be established, if a petition for such a hearing is received and granted. Affected persons may petition for a formal hearing concerning any issue of fact directly relevant to the legal validity of the proposed action. Petitions must meet the requirements of § 1.23(b) of the board's Procedural Rule No. 1

(1980), and must be received by the contact person designated below by 4 p.m. on Thursday, January 30, 1992.

Statutory Authority: § 62.1-44.15(3a) of the Code of Virginia.

Written comments may be submitted until 4 p.m., March 2, 1992, to Doneva Dalton, Hearing Reporter, State Water Control Board, P.O. Box 11143, Richmond, Virginia 23230.

Contact: Jean Gregory, Office of Environmental Research and Standards, State Water Control Board, P.O. Box 11143, Richmond, Virginia 23230, telephone (804) 527-5093.

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March 2, 1992 – 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 State Water Control Board intends to adopt regulations entitled: **VR 680-14-09. Virginia Pollutant Discharge Elimination System (VPDES) General Permit for Domestic Sewage Discharges of Less Than or Equal to 1,000 Gallons Per Day.** The purpose of the proposal is to adopt as a permanent regulation the emergency regulation which became effective July 12, 1991, authorizing the issuance of a general permit for qualifying domestic sewage discharges of less than or equal to 1,000 gallons per day.

Statutory Authority: § 62.1-44.15(10) of the Code of Virginia.

Written comments may be submitted until 4 p.m., March 2, 1992, to Doneva Dalton, Hearing Reporter, State Water Control Board, P.O. Box 11143, Richmond, Virginia 23230.

Contact: Richard Ayers, Office of Water Resources Management, State Water Control Board, P.O. Box 11143, Richmond, Virginia 23230, telephone (804) 527-5059.

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March 2, 1992 – 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 State Water Control Board intends to amend regulations entitled: **VR 680-21-00. Water Quality Standards (VR 680-21-08.15 Tennessee and Big Sandy River Basin, Clinch River Subbasin and VR 680-21-07.1 Special Standards and Requirements.** The purpose of the proposed amendment is to establish a site-specific numerical water quality criterion for copper in the Clinch River between Carbo and St. Paul. The board will hold a formal hearing at a time and place to be determined, if a petition for such a hearing is received and

granted. Affected persons may petition for a formal hearing concerning any issue of fact directly relevant to the legal validity of the proposed action. Petitions must meet the requirements of § 1.23(b) of the board's Procedural Rule No. 1 (1980), and must be received by the contact person designated below by 4 p.m. on Thursday, January 30, 1992.

Statutory Authority: § 62.1-44.15(3a) of the Code of Virginia.

Written comments may be submitted until 4 p.m., March 2, 1992, to Doneva Dalton, Hearing Reporter, State Water Control Board, P.O. Box 11143, Richmond, Virginia 23230.

Contact: Jean Gregory, Office of Environmental Research and Standards, State Water Control Board, P.O. Box 11143, Richmond, Virginia 23230, telephone (804) 527-5093.

* * * * *

February 26, 1992 - 7 p.m. – Public Hearing
Harrisonburg City Council Chambers, 345 South Main Street, Harrisonburg, Virginia.

February 27, 1992 - 2 p.m. – Public Hearing
Municipal Office, Multi-Purpose Room, 150 East Monroe Street, Wytheville, Virginia.

March 2, 1992 - 7 p.m. – Public Hearing
Prince William County Boardroom, 1 County Complex, McCourt Building, Prince William, Virginia.

March 4, 1992 - 7 p.m. – Public Hearing
James City County, Board of Supervisors Room, Building C, 101C Mounts Bay Road, Williamsburg, Virginia.

March 9, 1992 - 7 p.m. – Public Hearing
South Boston City Council Chambers, Yancey Street (behind the library), South Boston, Virginia.

March 10, 1992 - 7 p.m. – Public Hearing
Northampton General District Court, Business Route 13, Eastville, 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 adopt regulations entitled: **VR 680-15-03. Surface Water Management Area Regulation.** The purpose of the proposed regulation is to establish the procedures and requirements to be followed in connection with establishment of surface water management areas, and the issuance of surface water withdrawal permits and certificates.

Statutory Authority: Chapter 25 (§ 62.1-242 et seq.) of Title 62.1 of the Code of Virginia.

Written comments may be submitted until 4 p.m., March 16, 1992, to Doneva Dalton, Hearing Reporter, State Water Control Board, P.O. Box 11143, Richmond, Virginia 23230.

Contact: Thomas Felvey, State Water Control Board, P.O. Box 11143, Richmond, Virginia 23230, telephone (804) 527-5092.

† **March 5, 1992 - 7 p.m. – Public Hearing**
Augusta County Administration Office, Public Meeting Room, 4801 Lee Highway, Route 11, Verona, Virginia. ☒

A public hearing to receive comments regarding the proposed issuance or denial of the proposed 401 Certification. This informal fact-finding proceeding is being held pursuant to § 9-6.14:11 of the Code of Virginia, § 3.07 of Procedural Rule No. 3 and the board's Procedural Rule No. 1.

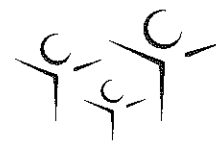
Contact: Lori Freeman, Hearings Reporter, State Water Control Board, Office of Policy Analysis, P.O. Box 11143, Richmond, Virginia 23230-1143, telephone (804) 527-5163.

BOARD FOR WATERWORKS AND WASTEWATER WORKS OPERATORS

† **March 5, 1992 - 8:30 a.m. – Open Meeting**
Virginia Department of Commerce, 3600 West Broad Street, Richmond, Virginia. ☒

A meeting to review comments received during the public comment period regarding a proposed increase in fees for waterworks and wastewater works operators and other business which may require board action.

Contact: Mr. Gerald W. Morgan, Administrator, Department of Commerce, 3600 W. Broad Street, Richmond, Virginia 23230-4917, telephone (804) 367-8534.



VIRGINIA DEPARTMENT OF
**YOUTH &
FAMILY SERVICES**
Youth Begins With You.

† **March 12, 1992 - 10 a.m. – Open Meeting**
† **April 9, 1992 - 10 a.m. – Open Meeting**
† **May 14, 1992 - 10 a.m. – Open Meeting**
Site to be announced. Richmond, Virginia.

A general business meeting.

Contact: Paul Steiner, Policy Coordinator, Department of Youth and Family Services, P.O. Box 3AG, Richmond, Virginia 23208-1108, telephone (804) 371-0692.

Calendar of Events

LEGISLATIVE

Notice to Subscribers

Legislative meetings held during the Session of the General Assembly are exempt from publication in The Virginia Register of Regulations. You may call Legislative Information for information on standing committee meetings. The number is (804) 786-6530.

CHRONOLOGICAL LIST

OPEN MEETINGS

February 24

- Chesapeake Bay Local Assistance Board
 - Central Area Review Committee
- Commerce, Board of
- Education Loan Authority, Virginia
 - Board of Directors
- † Emergency Planning Committee, Local - Prince William County, Manassas City, and Manassas Park City
- Lottery Department, State
- Mental Health, Mental Retardation and Substance Abuse Services, Department of
 - Alzheimer's Disease and Related Disorders Commission

February 25

- † Agriculture and Consumer Services, Department of
 - Virginia Egg Board
- ASAP Policy Board - Rockbridge
 - Board of Directors
- † Hazardous Materials Training Committee
- Health Services Cost Review Council, Virginia
- Labor and Industry, Department of
 - Safety and Health Codes Board
- Marine Resources Commission
- Mental Health, Mental Retardation and Substance Abuse Services Board, State
- Vocational Education, Virginia Council

February 26

- Agriculture and Consumer Services, Board of
- Chesapeake Bay Local Assistance Board
 - Northern Area Review Committee
- Child Day-Care Council
- Mental Health, Mental Retardation and Substance Abuse Services Board, State
- Vocational Education, Virginia Council

February 27

- Agriculture and Consumer Services, Board of
- † Aviation Board, Virginia
- Chesapeake Bay Local Assistance Board
- Compensation Board
- Contractors, Board for
 - Complaints Committee

- † Waste Management Facility Operators Board, Virginia

February 28

- Building Code Technical Review Board, State

March 2

- Alcoholic Beverage Control Board

March 3

- † Agriculture and Consumer Services, Department of
 - Virginia Marine Products Board
- † Child Day Care and Early Childhood Programs, Council on
- † Hopewell Industrial Safety Council

March 4

- Chesapeake Bay Local Assistance Board
 - Southern Area Review Committee
- Child Day-Care Council
- † Nursing Home Administrators, Board of

March 5

- † Conservation and Recreation, Department of
 - Northland Scenic River Advisory Board
- Housing and Community Development, Board of
 - Amusement Device Technical Advisory Committee
- Middle Virginia Board of Directors and the Middle Virginia Community Corrections Resources Board
- † Water Control Board, State
- † Waterworks and Wastewater Works Operators, Board for

March 6

- Game and Inland Fisheries, Board of
- Medicine, Board of
 - Advisory Board on Physical Therapy

March 7

- Game and Inland Fisheries, Board of

March 9

- † ASAP Policy Board - Valley
- Chesapeake Bay Local Assistance Board
 - Central Area Review Committee
- † Real Estate Board

March 10

- † Higher Education for Virginia, State Council of
- Virginia Resources Authority

March 11

- Agriculture and Consumer Services, Department of
 - Virginia Sweet Potato Board
- Chesapeake Bay Local Assistance Board
 - Northern Area Review Committee
- Child Day-Care Council
- Corrections, Board of
- Emergency Planning Committee, Local - City of Portsmouth
- † Emergency Planning Committee, Local - Winchester

Calendar of Events

- † Employment Commission, Virginia
- Advisory Board
Historic Preservation Foundation, Virginia
- March 12**
Corrections, Board of
- Liaison Committee
† Education Assistance Authority, State
- Board of Directors
† Emergency Planning Committee, Local - City of Fairfax, and the Towns of Herndon and Vienna.
† Employment Commission, Virginia
- Advisory Board
University of Virginia
- Institute of Law, Psychiatry and Public Policy
† Youth and Family Services, Board of
- March 13**
Medicine, Board of
- Legislative Committee
University of Virginia
- Institute of Law, Psychiatry and Public Policy
- March 16**
Alcoholic Beverage Control Board
† Emergency Planning Committee, Local - Prince William County, Manassas City, and Manassas Park City
Health, Department of
- Division of Shellfish Sanitation
- March 17**
Library Board
† Nursing, Board of
- Education Advisory Committee
- March 18**
Chesapeake Bay Local Assistance Board
- Regulatory Review Committee and Program Study Group
- Southern Area Review Committee
Local Debt, State Council on
† Social Services, State Board of
† Transportation Board, Commonwealth
Treasury Board
Virginia Racing Commission
- March 19**
† Architects, Professional Engineers, Land Surveyors and Landscape Architects, Board for
† Social Services, State Board of
† Transportation Board, Commonwealth
- March 20**
† Architects, Professional Engineers, Land Surveyors and Landscape Architects, Board for
- Board for Land Surveyors
Children, Interdepartmental Regulation of Residential Facilities for
- Coordinating Committee
† Conservation and Recreation, Department of
- Falls of the James River Advisory Board
† Information Management, Council on
- March 23**
Chesapeake Bay Local Assistance Board
- Central Area Review Committee
† Nursing, Board of
- March 24**
† Local Government, Commission on
† Marine Resources Commission
† Nursing, Board of
- March 25**
Chesapeake Bay Local Assistance Board
- Northern Area Review Committee
† Local Government, Commission on
† Mental Health, Mental Retardation and Substance Abuse Services Board, State
† Nursing, Board of
- March 26**
† Aging, Department for the
- Long-Term Care Ombudsman Program Advisory Council
† Architects, Professional Engineers, Land Surveyors and Landscape Architects, Board for
- Board for Contractors
Chesapeake Bay Local Assistance Board
Compensation Board
† Nursing, Board of
- March 27**
† Architects, Professional Engineers, Land Surveyors and Landscape Architects, Board for
- Board for Interior Designers
- March 30**
Alcoholic Beverage Control Board
- March 31**
† Medicine, Board of
- Advisory Committee on Acupuncture
- April 2**
Emergency Planning Committee, Local - Chesterfield County
- April 4**
† Visually Handicapped, Department for the
- Advisory Committee on Services
- April 6**
Agriculture and Consumer Services, Department of
- Virginia Winegrowers Advisory Board
- April 7**
† Hopewell Industrial Safety Council
- April 9**
† Youth and Family Services, Board of

Calendar of Events

April 10

† Medicine, Board of
- Executive Committee

April 11

† Medicine, Board of
- Credentials Committee

April 14

† Higher Education for Virginia, State Council of

April 16

† Medicine, Board of
- Advisory Board of Occupational Therapy

April 22

† Emergency Planning Committee, Local - Gloucester

April 28

† Marine Resources Commission.

May 5

† Hopewell Industrial Safety Council

May 7

† Voluntary Formulary Board, Virginia

May 14

† Youth and Family Services, Board of

Water Control Board, State

March 10

Water Control Board, State

March 11

† Housing and Community Development, Department
of

March 17

† Child Day Care and Early Childhood Programs,
Council on

March 18

Voluntary Formulary Board, Virginia

March 24

† Child Day Care and Early Childhood Programs,
Council on
† Local Government, Commission on

April 1

Criminal Justice Services, Department of

April 13

Transportation, Department of

PUBLIC HEARINGS

February 24

Waste Management, Department of

February 26

Waste Management, Department of
Water Control Board, State

February 27

Waste Management, Department of
Water Control Board, State

February 28

Waste Management, Department of

March 2

† Child Day Care and Early Childhood Programs,
Council on
Water Control Board, State

March 4

Water Control Board, State

March 6

Criminal Justice Services, Department of

March 9