

## VIRGINIA ACTS OF ASSEMBLY — CHAPTER

*An Act to amend and reenact §§ 10.1-1018, 10.1-1018.1, 10.1-1020, and 10.1-1021 of the Code of Virginia, relating to the Virginia Land Conservation Foundation and Fund.*

[S 31]

Approved

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

**1. That §§ 10.1-1018, 10.1-1018.1, 10.1-1020, and 10.1-1021 of the Code of Virginia are amended and reenacted as follows:**

**§ 10.1-1018. Virginia Land Conservation Board of Trustees; membership; terms; vacancies; compensation and expenses.**

A. The Foundation shall be governed and administered by a Board of Trustees. The Board shall have a total membership of 19 members that shall consist of 17 citizen members and two ex officio voting members as follows: four citizen members, who may be members of the House of Delegates, to be appointed by the Speaker of the House of Delegates and, if such members are members of the House of Delegates, in accordance with the principles of proportional representation contained in the Rules of the House of Delegates; two citizen members, who may be members of the Senate, to be appointed by the Senate Committee on Rules; 11 nonlegislative citizen members, one from each congressional district, to be appointed by the Governor; and the Secretary of Natural and Historic Resources, or his designee, and the Secretary of Agriculture and Forestry, or his designee, to serve ex officio with voting privileges. Nonlegislative citizen members shall be appointed for four-year terms, except that initial appointments shall be made for terms of one to four years in a manner whereby no more than six members shall have terms that expire in the same year. Legislative members and the ex officio member shall serve terms coincident with their terms of office. Appointments to fill vacancies, other than by expiration of a term, shall be made for the unexpired terms. Vacancies shall be filled in the same manner as the original appointments. All members may be reappointed. However, no Senate member shall serve more than two consecutive four-year terms, no House member shall serve more than four consecutive two-year terms and no nonlegislative citizen member shall serve more than two consecutive four-year terms. The remainder of any term to which a member is appointed to fill a vacancy shall not constitute a term in determining the member's eligibility for reappointment. Nonlegislative citizen members shall have experience or expertise, professional or personal, in one or more of the following areas: natural resource protection and conservation, construction and real estate development, natural habitat protection, environmental resource inventory and identification, forestry management, farming, farmland preservation, fish and wildlife management, historic preservation, and outdoor recreation. At least one of the nonlegislative citizen members shall be a farmer, *and at least one shall be a member of a state-recognized or federally recognized Virginia Indian Tribe*. Members of the Board shall post bond in the penalty of \$5,000 with the State Comptroller prior to entering upon the functions of office.

B. The Secretary of Natural and Historic Resources shall serve as the chairman of the Board of Trustees. The chairman shall serve until his successor is appointed. The members appointed as provided in subsection A shall elect a vice-chairman annually from among the members of the Board. A majority of the members of the Board serving at any one time shall constitute a quorum for the transaction of business. The board shall meet at the call of the chairman or whenever a majority of the members so request.

C. Trustees of the Foundation shall receive no compensation for their services. All members shall be reimbursed for all reasonable and necessary expenses incurred in the performance of their duties on behalf of the Foundation as provided in §§ 2.2-2813 and 2.2-2825. Funding for the costs of expenses of the members shall be provided by the Department of Conservation and Recreation.

D. The chairman of the Board and any other person designated by the Board to handle the funds of the Foundation shall give bond, with corporate surety, in such penalty as is fixed by the Governor, conditioned upon the faithful discharge of his duties. The premium on the bonds shall be paid from funds available to the Foundation for such purpose.

E. The Board shall seek assistance in developing grant criteria and advice on grant priorities and any other appropriate issues from a task force consisting of the following agency heads or their designees: the Director of the Department of Conservation and Recreation, the Commissioner of Agriculture and Consumer Services, the State Forester, the Director of the Department of Historic Resources, the Director of the Department of Wildlife Resources and the Executive Director of the Virginia Outdoors Foundation. The Board may request any other agency head to serve on or appoint a designee to serve

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57 on the task force.

58 **§ 10.1-1018.1. Reporting.**

59 The chairman of the Board shall submit to the Governor and the General Assembly, including the  
 60 Chairmen of the House Committee on Appropriations, the House Committee on Agriculture, Chesapeake  
 61 and Natural Resources, the Senate Committee on Finance and Appropriations, and the Senate Committee  
 62 on Agriculture, Conservation and Natural Resources, and to the Director of the Department of Planning  
 63 and Budget an executive summary and report of the ~~interim~~ activity and work of the Board on or before  
 64 December 15 of each ~~even-numbered~~ year. The document shall report on the status of the Foundation  
 65 and its Fund, including (i) land conservation targeting tools developed for the Foundation; (ii)  
 66 descriptions of projects that received funding; (iii) a description of the geographic distribution of land  
 67 protected as provided in § 10.1-1021.1; (iv) expenditures from, interest earned by, and financial  
 68 obligations of the Fund; and (v) progress made toward recognized state and regional land conservation  
 69 goals, including what percentage of properties conserved were identified by ConserveVirginia, pursuant  
 70 to § 10.1-104.6:1, and ~~whether a summary of the identified~~ conservation values ~~that~~ were protected. *The*  
 71 *report shall also estimate the funds needed to achieve goals established by the Board for (a) natural*  
 72 *area protection, (b) open spaces and parks, (c) farmland preservation, (d) forest land preservation, (e)*  
 73 *historical and cultural sites, (f) meeting the needs of under-resourced communities, and (g) any other*  
 74 *goal determined by the Board.* The executive summary and report shall be submitted as provided in the  
 75 procedures of the Division of Legislative Automated Systems for the processing of legislative documents  
 76 and reports and shall be posted on the General Assembly's website.

77 **§ 10.1-1020. Virginia Land Conservation Fund; purposes of Foundation.**

78 A. The Foundation shall establish, administer, manage, including the creation of reserves, and make  
 79 expenditures and allocations from a special, nonreverting fund in the state treasury to be known as the  
 80 Virginia Land Conservation Fund, hereinafter referred to as the Fund. The Foundation shall establish and  
 81 administer the Fund solely for the purposes of:

82 1. Acquiring fee simple title or other rights, including the purchase of development rights, to interests  
 83 or privileges in property for the protection or preservation of ecological, cultural or historical resources,  
 84 lands for recreational purposes, state forest lands, and lands for threatened or endangered species, fish  
 85 and wildlife habitat, natural areas, agricultural and forestal lands and open space, *and for conservation*  
 86 *and restoration of homelands for state-recognized and federally recognized Virginia Indian Tribes;* and

87 2. Providing grants to state agencies, including the Virginia Outdoors Foundation *and*  
 88 *state-recognized and federally recognized Virginia Indian Tribes,* and matching grants to other public  
 89 bodies and holders for acquiring fee simple title or other rights, including the purchase of development  
 90 rights, to interests or privileges in real property for the protection or preservation of ecological, cultural  
 91 or historical resources, lands for recreational purposes, and lands for threatened or endangered species,  
 92 fish and wildlife habitat, natural areas, agricultural and forestal lands and open space. The Board shall  
 93 establish criteria for making grants from the Fund, including procedures for determining the amount of  
 94 each grant and the required match. The criteria shall include provisions for grants to localities for  
 95 purchase of development rights programs.

96 Interests in land acquired as provided in subdivision 1 ~~of this subsection~~ may be held by the  
 97 Foundation ~~or transferred to~~, state agencies ~~or~~, *state-recognized or federally recognized Virginia Indian*  
 98 *Tribes,* other *public bodies,* and appropriate holders. Whenever a holder acquires any interest in land  
 99 other than a fee simple interest as a result of a grant or transfer from the Foundation, such interest shall  
 100 be held jointly by the holder and a public body *if such holder is not accredited by the national Land*  
 101 *Trust Accreditation Commission or a similar set of standards and practices adopted by the Board.*  
 102 Whenever a holder acquires a fee simple interest in land as a result of a grant or transfer from the  
 103 Foundation, a public body shall hold an open space easement in such land.

104 B. The Fund shall consist of general fund moneys and gifts, endowments or grants from the United  
 105 States government, its agencies and instrumentalities, and funds from any other available sources, public  
 106 or private. Such moneys, gifts, endowments, grants or funds from other sources may be either restricted  
 107 or unrestricted. For the purposes of this chapter, "restricted funds" shall mean those funds received by  
 108 the Board to which specific conditions apply; "restricted funds" shall include, but not be limited to,  
 109 general obligation bond moneys and conditional gifts. "Unrestricted funds" shall mean those received by  
 110 the Foundation to which no specific conditions apply; "unrestricted funds" shall include, but not be  
 111 limited to, moneys appropriated to the Fund by the General Assembly to which no specific conditions  
 112 are attached and unconditional gifts.

113 Beginning July 1, 2019, the Foundation shall conduct a grant round each year to identify and rank  
 114 projects for the subsequent fiscal year. Biennially in the odd-numbered years, the Foundation shall  
 115 assume an amount of funding of the grant program as provided in the general appropriation act.  
 116 Biennially in the even-numbered years, the Foundation shall assume the most recent amount of funding  
 117 of the grant program as specified in the most recently enacted general appropriation act. On or before

December 15 of each year, the chairman of the Board of Trustees shall provide copies of such project rankings to the Chairmen of the House Committee on Appropriations and the Senate Committee on Finance and Appropriations. At the beginning of each fiscal year, the Foundation shall finalize grant awards based on the funded level appropriated for that year, as provided in subsections C and D. Any ranked project that does not receive a proposed grant as a result of an insufficiency in appropriated funds shall be eligible to participate in a subsequent grant round.

C. In any fiscal year for which the Fund is appropriated less than \$10 million, and after an allocation for administrative expenses has been made as provided in subsection G, the remaining unrestricted funds in the Fund shall be allocated as follows:

1. Twenty-five percent shall be transferred to the Virginia Outdoors Foundation's Open-Space Lands Preservation Trust Fund to be used as provided in § 10.1-1801.1; and

2. Seventy-five percent shall be divided equally among the following four grant uses: (i) natural area protection; (ii) open spaces and parks, including but not limited to, land for public hunting, fishing or wildlife watching; (iii) farmlands and forest preservation; and (iv) historic area preservation. Of the amount allocated as provided in this subdivision, at least one third shall be used to secure easements to be held or co-held by a public body.

D. In any fiscal year for which the Fund is appropriated \$10 million or more, and after an allocation for administrative expenses has been made as provided in subsection G, the remaining unrestricted funds in the Fund shall be allocated as follows:

1. Twenty-five percent shall be transferred to the Virginia Outdoors Foundation's Open-Space Lands Preservation Trust Fund to be used as provided in § 10.1-1801.1; and

2. The remaining funds shall be divided equally among the following five grant uses: (i) natural area protection; (ii) open spaces and parks, including but not limited to, land for public hunting, fishing, or wildlife watching; (iii) farmland preservation; (iv) forestland conservation; and (v) historic area preservation.

E. Any moneys remaining in the Fund at the end of a biennium shall remain in the Fund, and shall not revert to the general fund. Interest earned on moneys received by the Fund other than bond proceeds shall remain in the Fund and be credited to it. Any funds transferred to the Open-Space Lands Preservation Trust Fund pursuant to this section and not disbursed or committed to a project by the end of the fiscal year in which the funds were transferred shall be returned to the Virginia Land Conservation Fund and shall be redistributed among the authorized grant uses during the next grant cycle.

F. A portion of the Fund, not to exceed ~~twenty~~ 20 percent of the annual balance of unrestricted funds, may be used to develop properties purchased in fee simple, or through the purchase of development rights, with the assets of the Fund for public use including, but not limited to, development of trails, parking areas, infrastructure, and interpretive projects or to conduct environmental assessments or other preliminary evaluations of properties prior to the acquisition of any property interest.

G. Up to \$250,000 per year of the interest generated by the Fund may be used for the Foundation's administrative expenses, including, but not limited to, the expenses of the Board and its members, development of the Foundation's strategic plan, development and maintenance of an inventory of properties as provided in subdivision 1 b of § 10.1-1021, development of a needs assessment for future expenditures as provided in subdivision 1 c of § 10.1-1021, and fulfillment of reporting requirements. All such expenditures shall be subject to approval by the Board of Trustees.

H. The Comptroller shall maintain the restricted funds and the unrestricted funds in separate accounts.

I. For the purposes of this section, "public body" shall have the meaning ascribed to it in § 10.1-1700, and "holder" shall have the meaning ascribed to it in § 10.1-1009.

#### **§ 10.1-1021. Powers of the Foundation.**

In order to carry out its purposes, the Foundation shall have the following powers and duties:

1. To prepare a comprehensive plan that recognizes and seeks to implement all of the purposes for which the Foundation is created. In preparing this plan, the Foundation shall:

a. Establish criteria for the expenditure of unrestricted moneys received by the Fund. In making grants for the expenditure of such unrestricted moneys, the Board of Trustees shall consider the following criteria, not all of which need to be met in order for a grant to be awarded:

(1) The ecological, outdoor recreational, historic, agricultural, and forestal value of the property;

(2) An assessment of market values;

(3) Consistency with local comprehensive plans;

(4) Geographical balance of properties and interests in properties to be purchased;

(5) Availability of public and private matching funds to assist in the purchase;

(6) Imminent danger of loss of natural, outdoor, recreational, or historic attributes of a significant portion of the land;

179 (7) Economic value to the locality and region attributable to the purchase;  
180 (8) Advisory opinions from local governments, state agencies, or others; ~~and~~  
181 (9) Whether the property has been identified by ConserveVirginia and whether the proposal seeks to  
182 preserve the conservation values identified by ConserveVirginia; *and*  
183 (10) *Whether the property is in an area lacking outdoor recreation facilities;*  
184 b. Develop an inventory of those properties in which the Commonwealth holds a legal interest for  
185 the purpose set forth in subsection A of § 10.1-1020;  
186 c. Develop a needs assessment for future expenditures from the Fund. In developing the needs  
187 assessment, the Board of Trustees shall consider among others the properties identified in the following:  
188 (i) ConserveVirginia, (ii) Virginia Outdoors Plan, (iii) Virginia Natural Heritage Plan, (iv) Virginia  
189 Institute of Marine Science Inventory, (v) Virginia Joint Venture Board of the North American  
190 Waterfowl Management Plan, and (vi) Virginia Board of Historic Resources Inventory. In addition, the  
191 Board shall consider any information submitted by the Department of Agriculture and Consumer  
192 Services on farmland preservation priorities and any information submitted by the Department of  
193 Forestry on forest land initiatives and inventories; and  
194 d. Maintain the inventory and needs assessment on an annual basis.  
195 2. To expend directly or allocate the funds received by the Foundation to the appropriate state  
196 agencies for the purpose of acquiring those properties or property interests selected by the Board of  
197 Trustees. In the case of restricted funds the Board's powers shall be limited by the provisions of  
198 § 10.1-1022.  
199 3. To enter into contracts and agreements, as approved by the Attorney General, to accomplish the  
200 purposes of the Foundation.  
201 4. To receive and expend gifts, grants and donations from whatever source to further the purposes set  
202 forth in subsection B of § 10.1-1020.  
203 5. To sell, exchange or otherwise dispose of or invest as it deems proper the moneys, securities, or  
204 other real or personal property or any interest therein given or bequeathed to it, unless such action is  
205 restricted by the terms of a gift or bequest. However, the provisions of § 10.1-1704 shall apply to any  
206 diversion from open-space use of any land given or bequeathed to the Foundation.  
207 6. To conduct fund-raising events as deemed appropriate by the Board of Trustees.  
208 7. To do any and all lawful acts necessary or appropriate to carry out the purposes for which the  
209 Foundation and Fund are established.