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# VIRGINIA STATE BUDGET

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2004 Session

## Budget Bill - HB29 (Introduced)

Bill Order » Office of Finance » Item 291

Department of the Treasury

Item 291	First Year - FY2003	Second Year - FY2004
<b>Revenue Administration Services (73200)</b>	<b>\$8,089,880</b>	<b>\$7,911,093</b> <b>\$7,910,649</b>
Administrative Processing (73201)	\$4,587,527	\$4,408,740 \$4,408,296
Unclaimed Property Act Administration (73207)	\$3,502,353	\$3,502,353
Fund Sources:		
General	\$3,863,604	\$3,666,717 \$3,666,273
Special	\$611,127	\$616,727
Trust and Agency	\$3,615,149	\$3,627,649

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Authority: Title 2.2, Chapter 18 and §§ [55-210.1](#) through [55-210.30](#), Code of Virginia.

A. The amounts for Revenue Administration Services include a sum sufficient nongeneral fund appropriation for personal services and other operating expenses to process checks issued by the Department of Social Services. The estimated cost, excluding actual postage costs, is \$264,000 the first year and \$264,000 the second year.

B. The amounts for Revenue Administration Services include a sum sufficient nongeneral fund appropriation for administrative expenses to process the Virginia Employment Commission (VEC) and Virginia Retirement System (VRS) checks. The estimated cost for VEC is \$150,000 the first year and \$150,000 the second year, and for VRS is \$19,200 the first year and \$19,200 the second year.

C.1. The Department of the Treasury shall administer a centralized mail process for first-class, outbound mail from state agencies located in the Richmond metropolitan area. Nongeneral fund agencies shall reimburse the Department for the proportional cost of all operating expenses and equipment costs associated with this operation. The following agencies shall participate:

Department of Agriculture and Consumer Services, Department of Education, Department of General Services, Department of Health Professions, Department of Motor Vehicles, Department of Social Services, Department of Taxation, and Department of Transportation.

2. Additional agencies may participate as approved by the Department of the Treasury. Notwithstanding subparagraph 1 of this paragraph C, any participating agency may be exempted from such participation if the Department of the Treasury deems it to be in the best interest of the participant and the centralized mail process.

3. The Department of the Treasury may transfer its centralized mail processing function to the Department of General Services or another participating agency should the two agencies determine that such transfer would be in the best interest of the Commonwealth. Such transfer may occur on or after July 1, 2002, and shall be conditioned upon the establishment of a memorandum of understanding between the two respective agencies and the approval

of the Secretary of Finance and the appropriate cabinet secretary for the agency assuming responsibility for the central mail processing function.

4. The Department of the Treasury may outsource the centralized mail processing function if the department determines that outsourcing would be in the best interest of the Commonwealth. In accordance with subparagraph 3 of this paragraph C, the transfer of the centralized mail processing function would involve the transfer of the management of the outsourcing contract, if the department decides to outsource the function.

D.1. The amounts for Unclaimed Property Act Administration are for administrative and related support costs of the Uniform Disposition of Unclaimed Property Act, to be paid solely from revenues derived pursuant to the Act.

2. The amounts also include a sum sufficient nongeneral fund amount estimated at \$700,000 the first year and \$700,000 the second year to pay fees for compliance services and securities portfolio custody services for unclaimed property administration.

3. Any revenue derived from the sale of the Department of the Treasury's new unclaimed property system is hereby appropriated to the Department for use in unclaimed property customer service and system enhancements.

E. The State Treasurer is authorized to charge institutions of higher education participating in the private college financing program of the Virginia College Building Authority an administrative fee of up to 10 basis points of the amount financed for each project in addition to a share of direct costs of issuance as determined by the State Treasurer. Revenue collected from this administrative fee shall be deposited to a special fund in the Department of the Treasury to compensate the Department for direct and indirect staff time and expenses involved with this program.

F. The State Treasurer is authorized to sell any securities remitted as unclaimed demutualization proceeds of insurance companies at any time after delivery, pursuant to legislation enacted by the 2003 Session of the General Assembly. The funds derived from the sale of said securities shall be handled in accordance with § 55-210.19, Code of Virginia.

G. The State Treasurer shall report to the Secretary of Finance on the feasibility of implementing an administrative fee to charge public depositories that are required to collateralize public deposits pursuant to the Security for Public Deposits Act. The report shall include the costs of administering the Security for Public Deposits Act and a justification for the amount of any fee, if such a fee is recommended. The State Treasurer shall develop the report in cooperation with the banking industry. The Secretary of Finance shall make a final report to the Chairmen of the House Appropriations and Senate Finance Committees by November 1, 2003.