2018 Special Session I

# Budget Bill - HB5002 (Enrolled)

Bill Order » Office of Finance » Item 277

Department of the Treasury

| Item 277 | First Year - FY2019 | Second Year - FY2020 |
|---|---|---|
| **Revenue Administration Services (73200)** | **$13,101,042** | **$13,112,104** |
| Unclaimed Property Administration (73207) | $6,782,313 | $6,782,313 |
| Accounting and Trust Services (73213) | $1,769,561 | $1,780,623 |
| Check Processing and Bank Reconciliation (73216) | $2,249,473 | $2,249,473 |
| Administrative Services (73220) | $2,299,695 | $2,299,695 |
| Fund Sources: | | |
| General | $3,687,021 | $3,693,657 |
| Special | $335,994 | $335,994 |
| Trust and Agency | $8,359,770 | $8,363,089 |
| Dedicated Special Revenue | $718,257 | $719,364 |

Authority: Title 2.2, Chapter 18 and §§ 55-210.1 through 55-210.29, Code of Virginia.

A. Included in this Item is 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 $89,000 the first year and $89,000 the second year.

B. Included in this Item is 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 $5,500 the first year and $5,500 the second year, and for VRS is $25,500 the first year and $25,500 the second year.

C.1. The amounts for Unclaimed Property 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 $2,000,000 the first year and $2,000,000 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.

4. Notwithstanding § 55-210.13.C of the Uniform Disposition of Unclaimed Property Act, the State Treasurer is not required to publish any item of less than $250.

D. 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.

E. 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.

F.1. The State Treasurer is authorized to charge qualified public depositories holding public deposits, as defined in § 2.2-4401, Code of Virginia, an annual administrative fee of not more than one-half of one basis point of their average public deposit balances over a twelve month period. The State Treasurer shall issue guidelines to effect the implementation of this fee. However, the total fees collected from all qualified depositories shall not exceed $100,000 in any one year.

2. Any regulations or guidelines necessary to implement or change the amount of the fee may be adopted without complying with the Administrative Process Act (§ 2.2-4000 et seq.) provided that input is solicited from qualified public depositories. Such input requires only that notice and an opportunity to submit written comments be given.

G. The State Treasurer shall work with universities and community colleges to develop policies and procedures which minimize the use of paper checks when issuing any reimbursements of student loan balances. These efforts should include reimbursement through debit cards, direct deposits, or other electronic means.

H. The Virginia Public School Authority shall transfer to the Department of the Treasury each year an amount necessary to recover the direct cost incurred by the department in the accounting and financial reporting of the Virginia Public School Authority programs.