

26107641D

SENATE BILL NO. 725

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Finance and Appropriations
on February 10, 2025)

(Patron Prior to Substitute—Senator Jones)

A BILL to amend and reenact § 17.1-279 of the Code of Virginia, relating to circuit court clerks; fees; Technology Trust Fund Fee; report.

Be it enacted by the General Assembly of Virginia:

1. That § 17.1-279 of the Code of Virginia is amended and reenacted as follows:

§ 17.1-279. Additional fee to be assessed by circuit court clerks for information technology.

A. In addition to the fees otherwise authorized by this chapter, the clerk of each circuit court shall assess a \$5 fee of \$8, known as the "Technology Trust Fund Fee," in each civil action, upon each instrument to be recorded in the deed books, and upon each judgment to be docketed in the judgment lien docket book. Such fee shall be deposited by the State Treasurer into a trust fund. The State Treasurer shall maintain a record of such deposits.

B. ~~Four~~ Six dollars of every \$5 *eight-dollar* fee shall be allocated by the Compensation Board from the trust fund for the purposes of: (i) developing and updating *or funding studies to develop and update* individual land records automation plans for individual circuit court clerks' offices; (ii) implementing automation plans to modernize land records in individual circuit court clerks' offices and provide secure remote access to land records throughout the Commonwealth pursuant to § 17.1-294; (iii) obtaining and updating office automation and information technology equipment, including software and conversion services; (iv) preserving, maintaining, and enhancing court records, including, ~~but not limited to,~~ the costs of repairs, maintenance, land records, consulting services, service contracts, redaction of social security numbers from land records, and system replacements or upgrades; and (v) improving public access to court records. The Compensation Board in consultation with circuit court clerks and other users of court records shall develop and update policies governing the allocation of funds for these purposes. However, such funds shall not be used for personnel costs within the circuit court clerks' offices. The Compensation Board policies governing the allocation of funds shall require that a clerk submit to the Compensation Board a written certification that the clerk's proposed technology improvements of his land records will provide secure remote access to those land records on or before July 1, 2008.

The annual budget submitted by each circuit court clerk pursuant to § 15.2-1636.7 may include a request for technology improvements in the upcoming fiscal year to be allocated by the Compensation Board from the trust fund. Such request shall not exceed the deposits into the trust fund credited to that locality. The Compensation Board shall allocate the funds requested by the clerks in an amount not to exceed the deposits into the trust fund credited to their respective localities.

C. The remaining ~~\$4~~ \$2 of each such fee may be allocated by the Compensation Board from the trust fund ~~(i) for the purposes of funding studies to develop and update individual land records automation plans for to individual circuit court clerks' offices, at the request of and in consultation with the individual circuit court clerk's offices, and (ii) for the purposes enumerated in subsection B to implement the plan to modernize land records in individual circuit court clerks' offices and provide secure remote access to land records throughout the Commonwealth.~~ The allocations pursuant to this subsection may give priority to those individual clerks' offices whose deposits into the trust fund would not be sufficient to implement its modernization plan. The Compensation Board policies governing the allocation of funds shall require that a clerk submit to the Compensation Board a written certification that the clerk's proposed technology improvements of his land records will provide secure remote access to those land records on or before July 1, 2008.

D. 1. Secure remote access to land records shall be by paid subscription service through individual circuit court clerk's offices pursuant to § 17.1-276, or through designated application service providers. The clerk may require any entity that is a nonresident of the Commonwealth, prior to becoming a subscriber, to demonstrate that such entity is authorized to do business in Virginia and is in good standing with the State Corporation Commission or other applicable state or federal regulatory agency and that such entity will comply with the secure remote access standards developed by the Virginia Information Technologies Agency pursuant to § 17.1-294. In the case of an individual, the clerk may require a person who is a nonresident of the Commonwealth to demonstrate that such person has a legal presence in Virginia and will comply with the secure remote access standards developed by the Virginia Information Technologies Agency pursuant to § 17.1-294. Compliance with secure remote access standards developed by the Virginia Information Technologies Agency pursuant to § 17.1-294 shall be certified by the individual circuit court clerks' offices to the Compensation Board. The individual circuit court clerk's office or its designated application service provider shall certify compliance with such secure remote access standards. Nothing in this section shall prohibit the clerk from entering into a subscriber agreement with an agency of the Commonwealth and

60 delegating the responsibility for compliance with such secure remote access standards to such agency.
61 Nothing in this section shall prohibit the Compensation Board from allocating trust fund money to individual
62 circuit court clerks' offices for the purpose of complying with such secure remote access standards or
63 redaction of social security numbers from land records.

64 2. Every circuit court clerk shall provide secure remote access to land records pursuant to § 17.1-294 on or
65 before July 1, 2008.

66 E. Such fee shall not be assessed to any instrument to be recorded in the deed books nor any judgment to
67 be docketed in the judgment lien docket books tendered by any federal, state, or local government.

68 F. If such an application includes automation or technology improvements that would require an interface
69 with the case management system or the financial management system operated and maintained by the
70 Executive Secretary of the Supreme Court for the purpose of providing electronic information to state
71 agencies in accordance with § 17.1-502, the circuit court clerk, or the court's designated application service
72 provider, shall certify to the Compensation Board that such automation or technology improvements will
73 comply with the security and data standards of the systems operated and maintained by the Executive
74 Secretary of the Supreme Court.

75 G. Information regarding the technology programs adopted by the circuit court clerks shall be shared with
76 the Virginia Information Technologies Agency, The Library of Virginia, and the Office of the Executive
77 Secretary of the Supreme Court.

78 H. Nothing in this section shall be construed to diminish the duty of local governing bodies to furnish
79 supplies and equipment to the clerks of the circuit courts pursuant to § 15.2-1656. Revenue raised as a result
80 of this section shall in no way supplant current funding to circuit court clerks' offices by local governing
81 bodies.

82 I. Effective July 1, 2006, except for transfers pursuant to this section, there shall be no transfers out of the
83 Technology Trust Fund, including transfers to the general fund.

84 **2. That the Virginia Court Clerks Association shall collect data from each office of the clerk in each**
85 **circuit court in the Commonwealth on the total amount of local nonreverting fee revenue collected and**
86 **how such fee revenue is expended, including data and records on any expenses related to information**
87 **technology. The Compensation Board shall aggregate the data collected by the Virginia Court Clerks**
88 **Association and submit a report summarizing the information to the Chairs of the House Committee**
89 **on Appropriations and the Senate Committee on Finance and Appropriations by December 1, 2026.**