

008860924

HOUSE BILL NO. 1118

Offered January 24, 2000

A BILL to authorize the Commonwealth Transportation Board, by and with the consent of the Governor, to issue bonds at one time, or from time to time, to be designated Commonwealth of Virginia Transportation Revenue Bonds Series . . . , pursuant to the provisions of §§ 33.1-267 through 33.1-295 of the Code of Virginia and as permitted by Article X, Section 9 (d) of the Constitution of Virginia, in a principal amount not to exceed \$3,472,300,000 to finance the cost of certain highway projects ("Projects") plus an amount for the issuance costs, reserve funds, and other financing expenses, for the purpose of providing funds, with any other available funds, for paying all or a portion of the costs incurred or to be incurred for the construction of the Projects; authorize the Commonwealth Transportation Board to fix the details of such bonds and provide for the sale of such bonds at public or private sale; and provide that the interest income from such bonds shall be exempt from all taxation within the Commonwealth.

Patron—McClure

Referred to Committee on Finance

Whereas, in the current budget of the Commonwealth more than \$210,300,000 was originally devoted to meeting the challenge of the Year 2000 computer issue (Y2K) in state agencies and organizations; and

Whereas, no expenditures for Y2K will be required in the budget for Fiscal Year 2001; and

Whereas, a surplus of approximately \$70,000,000 from the Y2K budget remains from the previous fiscal year; and

Whereas, these funds and others are available to pay the debt service on new bonds that need to be authorized and issued to finance the Commonwealth's critical transportation needs; and

Whereas, Article X, Section 9 (d) of the Constitution of Virginia and §§ 33.1-267 through 33.1-295 of the Code of Virginia provide that the General Assembly may authorize the issuance of bonds secured by Transportation Trust Fund revenues under a payment agreement between the Commonwealth Transportation Board and Treasury Board; and

Whereas, the projects described herein will be part of state highway systems operated and maintained by the Commonwealth Transportation Board; now, therefore,

Be it enacted by the General Assembly of Virginia:

1. That Commonwealth of Virginia Transportation Revenue Bonds are authorized to be issued as follows:

§ 1. This act shall be known and may be cited as the Y2K Highway Projects Commonwealth of Virginia Transportation Revenue Bond Act of 2000.

§ 2. The Commonwealth Transportation Board is hereby authorized, by and with the consent of the Governor, to issue, pursuant to the provisions of §§ 33.1-267 through 33.1-295 of the Code of Virginia, at one time or from time to time, bonds of the Commonwealth to be designated "Commonwealth of Virginia Transportation Revenue Bonds, Series...", in an aggregate principal amount not exceeding \$3,472,300,000 to finance the cost of certain highway projects (the "Projects"), plus an amount for the issuance costs, reserve funds, and other financing expenses. The proceeds of such bonds shall be used exclusively for the purpose of providing funds, with any other available funds, for paying all costs incurred or to be incurred for construction of the Projects; such costs include environmental and engineering studies, completing and updating plans, rights-of-way acquisition, construction, and related improvements. The projects are as follows:

Project	Bond Amount
---------	-------------

Northern Virginia	
-------------------	--

Dulles Bus/Rail Transit	\$865,000,000
-------------------------	---------------

A multi-phase public-private transportation project

bringing transit to the Dulles Corridor from the

INTRODUCED

HB1118

59
60 *Falls Church Metro Station through Tysons Corner*
61
62 *and Dulles Airport and into Loudoun County.*
63
64 *The project commences with enhanced bus services*
65
66 *in the corridor, provides for the construction of*
67
68 *a bus rapid transit system with stations which*
69
70 *can later be converted to rail stations, and*
71
72 *culminates with rail service along the entire*
73
74 *corridor, serving Tysons Corner and Dulles Airport*
75
76
77 *Prince William County Commuter Parking* \$4,100,000
78
79 *Land acquisition and construction for 350 additional*
80
81 *parking spaces on Horner Road at Interstate 95 and*
82
83 *Prince William Parkway*
84
85
86 *Richmond Metropolitan Area*
87
88
89 *Route 288* \$276,000,000
90
91 *Completion of construction of Route 288 around*
92
93 *Richmond in Chesterfield and Goochland Counties*
94
95
96 *Richmond International Airport* \$25,000,000
97
98 *Planning and construction of additional passenger*
99
100 *gates and associated sitework at Richmond*
101
102 *International Airport by the Capital Region Airport*
103
104 *Commission*
105
106
107 *Southside*
108
109
110 *Route 58* \$905,400,000
111
112 *Construction of the corridor from Damascus through*
113
114 *Smyth and Grayson Counties, to Interstate 77 at*
115

116 Hillsville to Stuart, which would complete the
 117
 118 improvements at Interstate 77
 119
 120
 121 Tidewater
 122
 123
 124 I-64 \$200,000,000
 125
 126 Widening and improvement of Interstate 664 between
 127
 128 Route 199 and Interstate 64
 129
 130
 131 The South Eastern Parkway and Greenbelt \$425,000,000
 132
 133 Construction of a new highway connecting I-264
 134
 135 (formerly Route 44) in Virginia Beach and the
 136
 137 Oak Grove Connector in Chesapeake
 138
 139
 140 Dominion Boulevard \$135,000,000
 141
 142 Construction of a new highway connecting I-664 and
 143
 144 the South Eastern Parkway and Greenbelt
 145
 146
 147 Western Virginia
 148
 149 —
 150
 151 Interstate 81 Improvements and Widening \$304,000,000
 152
 153 City of Bristol and Washington, Smyth, and Wythe Counties:
 154
 155 a) Rebuild I-81/I-77 overlap area in Wytheville
 156
 157 b) Rebuild 13-mile section north of Bristol and
 158
 159 extends north of Abingdon
 160
 161 c) replace I-81 bridge over Route 11 and the I-81
 162
 163 bridge over Reed Creek in Wythe
 164
 165
 166 City of Salem, and Pulaski, Montgomery, Roanoke, and
 167
 168 Botetourt Counties: \$169,000,000
 169
 170 a) Rebuild 8-mile section starting north of exit
 171

172 150 in Troutville (Net of Six-Year Plan)
173
174 b) Rebuild 33-mile section starting south of
175
176 Troutville to Christiansburg
177
178
179 Cities of Staunton and Winchester, and Rockbridge,
180
181 Rockingham, Shenandoah, and Frederick Counties: \$163,800,000
182
183 a) Rebuild 12-mile section through Harrisonburg
184
185 b) Rebuild 8-mile section through Winchester
186
187 c) Replace Route 669 bridge over I-81 at Exit 323
188
189 Total \$3,472,300,000
190

191 *The revenue bonds shall be issued by the Commonwealth Transportation Board and sold through the*
192 *Treasury Board, which is hereby designated the sales and paying agent of the Commonwealth*
193 *Transportation Board with respect to such bonds. The Treasury Board's duties shall include the*
194 *approval of the terms and structure of the bonds.*

195 *§ 3. The proceeds of the bonds herein authorized shall be expended by the Transportation Board for*
196 *the purpose for which they were issued.*

197 *The proceeds of the bonds may be used with any local, private or federal funds which may be made*
198 *available for the Projects.*

199 *§ 4. The bonds of each issue shall be dated, shall bear interest at such rate or rates, shall mature at*
200 *such time or times not exceeding twenty years from their date or dates, as may be determined by the*
201 *Commonwealth Transportation Board and may be made redeemable before their maturity or maturities*
202 *at such price or prices and under such terms and conditions as may be fixed by the Commonwealth*
203 *Transportation Board prior to the issuance of the bonds. The principal of and the interest on said bonds*
204 *shall be made payable in lawful money of the United States of America. The Commonwealth*
205 *Transportation Board shall determine the form of the bonds and fix the denomination or denominations*
206 *of the bonds and the place or places of payment of the principal and interest thereof, which may be at*
207 *the office of the State Treasurer or any bank or trust company within or without the Commonwealth.*

208 *All bonds issued under the provisions of this act shall have and are hereby declared to have, as*
209 *between successive holders, all the qualities and incidents of negotiable instruments under the negotiable*
210 *instruments law of the Commonwealth.*

211 *The bonds may be issued in coupon or in registered form or both, and in book entry form, as the*
212 *Commonwealth Transportation Board may determine, and provision may be made for the registration of*
213 *any coupon bonds as to principal alone and also as to both principal and interest, and for the*
214 *reconversion of any bonds registered as to both principal and interest into coupon bonds.*

215 *Such bonds may be sold at public or private sale for such price or prices as the Commonwealth*
216 *Transportation Board may determine to be in the best interest of the Commonwealth.*

217 *§ 5. The bonds shall be signed on behalf of the Commonwealth by the Commonwealth Transportation*
218 *Commissioner, or bear his facsimile signature, and shall bear the official seal of the Commonwealth*
219 *Transportation Board and be attested by the Secretary of such Board. Any interest coupons shall bear a*
220 *facsimile of the signature of the Commissioner. In the event that such bonds shall bear the facsimile*
221 *signature of the Commissioner, the bonds shall be signed by such administrative assistant as the*
222 *Commissioner shall determine or by any registrar/paying agent that may be designated by the Treasury*
223 *Board. In case any officer whose signature, or facsimile signature, appears on any bonds or coupons*
224 *ceases to be such officer before the delivery of the bonds, such signature, or facsimile signature, shall*
225 *nevertheless be valid and sufficient for all purposes as if he had remained in office until such delivery.*

226 *§ 6. All expenses incurred under this Act shall be paid from the proceeds of the bonds or from any*
227 *available funds as the Commonwealth Transportation Board shall determine. Any advance made by the*
228 *Board may be reimbursed from the Transportation Trust Fund or from the proceeds of the bonds or*
229 *notes.*

230 *§ 7. The Commonwealth Transportation Board is hereby authorized to borrow money through the*
231 *execution and issuance of notes of the Commonwealth for the same, but only in the following*

circumstances and under the following conditions:

a. In anticipation of the sale of the bonds the issuance of which shall have been authorized by the Commonwealth Transportation Board and shall have been approved by the Governor, if the Commonwealth Transportation Board shall deem it advisable to postpone the issuance of the bonds.

b. For the renewal of any loan evidenced by notes herein authorized.

§ 8. The proceeds, excluding any premium, of such bonds and of the bond anticipation notes herein authorized (except the proceeds of bonds the issuance of which has been anticipated by such bond anticipation notes) shall be placed by the State Treasurer in a special fund in the state treasury, or with his concurrence may be placed in accordance with § 33.1-283 of the Code of Virginia, and shall be disbursed only for the purpose for which such bonds and such bond anticipation notes shall be issued, provided that proceeds derived from the sale of bonds or renewal herein authorized shall be first used in the payment of any bond anticipation notes that may have been issued in anticipation of the sale of such bonds and any renewals of such notes.

§ 9. The Commonwealth Transportation Board is hereby authorized to receive any other funds that may be made available to pay the cost of the Projects and to make available such funds for the payment of the principal of and interest on the debt authorized hereby, and to enter into the appropriate agreements to allow for those funds to be paid into the state treasury to pay a part of the cost of the Projects or to pay the principal of and interest on such debt.

§ 10. The Commonwealth Transportation Board, prior to the issuance of such bonds, may establish a minimum reserve fund requirement for the bonds.

§ 11. The Commonwealth Transportation Board prior to the issuance of the bonds shall establish a sinking fund for the payment of the bonds to the credit of which fund there shall be deposited such amounts as are required to pay debt service on the bonds when due and payable for such fiscal years from (i) first, general funds in annual amounts at least equivalent to the amount budgeted in Fiscal Year 2000 to meet the Year 2000 computer issue for state agencies and organizations plus any amounts not expended from that budgeted amount in Fiscal Year 2000; (ii) second, forty percent of all amounts received by the Commonwealth pursuant to the Master Settlement Agreement as defined in § 9-380 of the Code of Virginia; and (iii) to the extent required, other legally available revenues of the Trust Fund and from any other available source of funds.

§ 12. Bond proceeds and moneys in any reserve funds and sinking funds shall be invested by the State Treasurer in accordance with the provisions of general law relating to the investment of such funds belonging to or in the control of the Commonwealth, or with the State Treasurer's concurrence by a trustee in accordance with § 33.1-283 of the Code of Virginia.

§ 13. The interest income from, but not any profit made on the sale of the bonds, notes and coupons, if any, issued under the provisions of this act, shall at all times be free and exempt from taxation by the Commonwealth and by any municipality, county, or other political subdivision thereof.

§ 14. All bonds and notes issued under the provisions of this act are hereby made securities in which all public officers and bodies of the Commonwealth, all counties, cities, and towns and municipal subdivisions, all insurance companies and associations, all savings banks and savings institutions, including savings and loan associations, administrators, guardians, executors, trustees, and other fiduciaries in the Commonwealth may properly and legally invest funds under their control.

§ 15. If any part of this act or the application thereof to any person or circumstance is held invalid by a court of competent jurisdiction, such holding shall not affect the validity of the remainder of the provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.