

VIRGINIA ACTS OF ASSEMBLY — CHAPTER

An Act authorizing the issuance of Commonwealth of Virginia General Obligation Bonds in an amount not exceeding \$119,040,000 for the purpose of financing the cost of capital projects for parks and recreational facilities; authorizing the Treasury Board, by and with the consent of the Governor, to fix the details of such bonds and to provide for the sale of the bonds; authorizing the Treasury Board, by and with the consent of the Governor, to borrow money in anticipation of the issuance of the bonds; authorizing the issuance of refunding bonds, by and with the consent of the Governor; providing for the pledge of the full faith and credit of the Commonwealth for the payment of such obligations; providing that interest on such obligations shall be exempt from all taxation by the Commonwealth and any political subdivision thereof; and providing that this act shall not become effective and that no bonds shall be issued hereunder unless this act is approved by a majority of the qualified voters of the Commonwealth voting thereon at an election, as required by Article X, Section 9 (b) of the Constitution of Virginia.

[S 672]

Approved

Be it enacted by the General Assembly of Virginia:

1. § 1. Title. *This act shall be known and may be cited as the "Commonwealth of Virginia Park and Recreational Facilities Bond Act of 2002."*

§ 2. Authorization of bonds and bond anticipation notes (BANs). *The authorization to issue bonds hereunder is subject to the following conditions:*

First, there shall be a favorable vote of a majority of the qualified voters voting on this act at the November 5, 2002, general election as hereinafter provided;

Secondly, the Governor shall prepare and release a plan to the chairmen of the Senate Finance Committee and House Appropriations Committee on or before December 1, 2002, detailing a process whereby the Secretary of Finance, in conjunction with the Secretaries of Administration and Natural Resources, shall administer the orderly issuance of the bonds hereunder authorized in order to provide the funding required to execute the capital projects identified within this bill, including the following:

a. Development of processes to expedite the capital outlay review process as set forth in § 2.2-1132 of the Code of Virginia; and

b. Development of detailed draw schedules, to the extent practicable, for projects and for the approval of such draw schedules with due consideration given to the long-term capacity of the Commonwealth to open and operate such completed capital projects. Included in such approval shall be an estimate of the net additional costs of staffing and equipping such projects.

Thereafter, the Treasury Board is hereby authorized, by and with the consent of the Governor, to sell and issue, at one time or from time to time, bonds of the Commonwealth, to be designated "Commonwealth of Virginia General Obligation Bonds, Series...," in an aggregate principal amount not exceeding \$119,040,000. The Treasury Board is further authorized, by and with the consent of the Governor, to borrow money in anticipation of the issuance of the bonds by the issuance of bond anticipation notes (BANs), including BANs issued as commercial paper.

§ 3. Purpose; Projects. *The proceeds of the bonds and BANs, excluding amounts needed to pay issuance costs and other financing expenses, shall be used as provided in § 4 hereof for capital projects for parks and recreational facilities as follows:*

Park and Recreational Facilities		Amount
Acquisition of land for Natural Area Preserves and Parks		\$30,000,000
Construction of the following projects at existing state parks:		
Park	Description of project	
Bear Creek Lake	New cabin/meeting facility construction/	
	picnic shelter construction	4,550,000
Belle Isle	Construct new campground and visitors center	3,000,000

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56			
57	Belle Isle	Expand maintenance complex	250,000
58			
59	Breaks Interstate	Construct campground	300,000
60			
61	Breaks Interstate	Restaurant facility upgrade	100,000
62			
63	Chippokes	Replace Chippokes Plantation water system	620,000
64			
65	Chippokes	Renovations and maintenance	3,000,000
66			
67	Chippokes	Expand concession and campground	1,000,000
68			
69	Claytor Lake	Construct new cabins with docks and	
70			
71		expand marina	3,400,000
72			
73	Douthat	Construct additional cabins	1,500,000
74			
75	Douthat	Construct equestrian camping area	700,000
76			
77	Fairy Stone	Dredge lake and construct new boat ramp	1,400,000
78			
79	Fairy Stone	Construct equestrian camping area/horse	
80			
81		support facility	300,000
82			
83	False Cape	Visitor center/administrative offices	750,000
84			
85	First Landing	Improve visitors center	400,000
86			
87	First Landing	Improve campgrounds	720,000
88			
89	First Landing	Construct storage area/pole sheds	150,000
90			
91	First Landing	Replace campground bathhouses	500,000
92			
93	First Landing	Improve Chesapeake Bay Center and Trail	
94			
95		Center	750,000
96			
97	Grayson Highlands	Renovate visitors center	500,000
98			
99	Grayson Highlands	Construct group campground	300,000
100			
101	Grayson Highlands	Utility improvements	150,000
102			
103	Holliday Lake	Construction campground	500,000
104			
105	Hungry Mother	Dredge lake	1,375,000
106			
107	Hungry Mother	Replace water lines	388,000
108			
109	Hungry Mother	Acquire and develop campground	1,000,000
110			
111	Hungry Mother	Construct visitors center	145,000

112			
113	James River	Construct campground	500,000
114			
115	James River	Construct cabins	4,500,000
116			
117	James River	Construct equestrian camping area	500,000
118			
119	James River	Construct visitors center/office complex	1,200,000
120			
121	Kiptopeke	Construct overnight facilities	2,500,000
122			
123	Kiptopeke	Upgrade campground infrastructure	250,000
124			
125	Lake Anna	Construct new cabins and campsites	4,500,000
126			
127	Leesylvania	Construct boat piers/picnic shelter	300,000
128			
129	Mason Neck	Construct new office/administrative complex/	
130			
131		staff residences	730,000
132			
133	Mason Neck	Road Improvements	200,000
134			
135	Natural Tunnel	Construct cabins/campground/bathhouse	3,500,000
136			
137	New River Trail	Expand water distribution system	150,000
138			
139	New River Trail	Trail access and safety improvements	850,000
140			
141	New River Trail	Renovate historic Foster Falls complex	2,500,000
142			
143	Occoneechee	Construct cabins	3,500,000
144			
145	Occoneechee	Construct equestrian camping area	600,000
146			
147	Occoneechee	Construct visitor contact station	120,000
148			
149	Pocahontas	Road repairs	600,000
150			
151	Pocahontas	Construct equestrian center and camping area	1,500,000
152			
153	Pocahontas	Construct parking areas	225,000
154			
155	Pocahontas	Expand campground and construct cabins	2,500,000
156			
157	Sailor's Creek		
158			
159	Battlefield	Construct visitor center and	
160			
161		support facility	1,120,000
162			
163	Sailor's Creek		
164			
165	Battlefield	Renovate historic Hillsman House	400,000
166			
167	Shenandoah		

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168			
169	"Andy Guest"	Construct road, cabins, and campground	5,168,000
170			
171	Shenandoah		
172			
173	"Andy Guest"	Construct visitor center/office	1,000,000
174			
175	Sky Meadows	Construct picnic area	250,000
176			
177	Sky Meadows	Expand campground/Appalachian Trail shelters	200,000
178			
179	Smith Mountain Lake	Construct visitor center/campground	1,500,000
180			
181	Smith Mountain Lake	Improve boat ramp parking	150,000
182			
183	Staunton River	Renovate visitor center	460,000
184			
185	Staunton River	Construct equestrian camping area	750,000
186			
187	Staunton River	Boat ramp improvements	200,000
188			
189	Staunton River		
190			
191	Battlefield	Upgrade utilities	500,000
192			
193	Staunton River		
194			
195	Battlefield	Construct equestrian camping area	100,000
196			
197	Staunton River		
198			
199	Battlefield	Renovate historic Mulberry Hill mansion	300,000
200			
201	Twin Lakes	Construct maintenance area/staff residence	774,000
202			
203	Westmoreland	Construct office complex, visitor and	
204			
205		birding center	1,150,000
206			
207	Wilderness Road	Construct utilities, roads, picnic area,	
208			
209		staff residence and parking	1,245,000
210			
211	Wilderness Road	Construct visitor center	1,000,000
212			
213	Wilderness Road	Renovate historic Karlan mansion	300,000
214			
215	York River	Improve boat ramp facilities	500,000
216			
217	Various parks	Repair Shoreline Erosion	4,500,000
218			
219	Various parks	Acquire in-holdings and adjacent properties	6,500,000
220			
221	Various parks	Trail Improvements	2,000,000
222			
223	Total of construction projects in existing parks		89,040,000

GRAND TOTAL

\$119,040,000

The General Assembly hereby finds and determines that the estimated useful life of the capital projects listed above is in excess of twenty-five years.

If any capital project relates to more than one state park or recreational facility, the Governor or his designee shall determine the amount to be allocated within such capital project to each such state park or recreational facility. To the extent that the cost of any capital project listed above is less than the amount allocated to such project, the Governor or his designee may increase the amount allocated to any other capital project listed above. No such allocation to a capital project may be increased, however, until it has been demonstrated to the satisfaction of the Governor or his designee that (a) the cost of the capital project has been reduced to the extent reasonable, (b) the capital project has not been expanded or enhanced beyond that originally approved, and (c) the capital project is suitable and adequate for the scope originally intended. No increase in the amount allocated to any capital project shall constitute an authorization for the issuance of bonds in an amount in excess of the aggregate amount authorized hereunder. No allocation shall be made to any capital project included herein until all applicable requirements of § 10.1-200.1 of the Code of Virginia have been met.

§ 4. Application of proceeds. Proceeds (including any premium) of the bonds and any BANs (except the proceeds of (i) bonds, the issuance of which has been anticipated by BANs, (ii) refunding bonds and (iii) refunding BANs) shall be deposited by the State Treasurer in a special capital outlay fund in the State Treasury and shall be disbursed only for the purpose for which the bonds or any BANs have been issued. In the event that the proceeds of the bonds or BANs exceed the cost of the projects specified in § 3, the Treasury Board shall cause such excess proceeds to be applied to the retirement of the bonds or BANs. The proceeds of (i) bonds the issuance of which has been anticipated by BANs, (ii) refunding bonds and (iii) refunding BANs and any funds provided by the General Assembly, or available from any other source, for the purpose, shall be used to pay such BANs, refunded bonds and refunded BANs.

The proceeds of the bonds and any refunding bonds or BANs are hereby appropriated for disbursement from the state treasury for the current biennium pursuant to Article X, Section 7 of the Constitution of Virginia, and § 2.2-1819 of the Code of Virginia. The general conditions and general provisions of the general appropriation act enacted pursuant to Chapter 15 (§ 2.2-1500 et seq.) of Title 2.2 of the Code of Virginia, in effect from time to time, and all of the terms and conditions contained therein shall apply to the capital projects listed in § 3. The Governor or his designee is hereby authorized to increase the appropriation for any project listed in § 3 by the amount of the proceeds of donations, gifts, grants or other nongeneral funds paid into the state treasury in excess of such appropriation.

§ 5. Details, sale of bonds and BANs. The bonds shall be dated, shall mature at such time or times not exceeding twenty-five years from their date or dates and may be made redeemable before their maturity or maturities at such price or prices or within such price parameters, all as may be determined by the Treasury Board, by and with the consent of the Governor. The principal of the bonds shall be amortized by payment into a sinking fund or otherwise, in annual installments. The first annual installment of principal of the bonds shall become due not later than one-tenth of the term of the bonds, and no installment of principal of the bonds shall be more than twice the smallest previous installment. Any such sinking fund shall not be appropriated for any other purpose.

The bonds shall be in such form, shall bear interest at such rate or rates, either at fixed rates or at rates established by formula or other method, and may contain such other provisions, all as the Treasury Board or the State Treasurer, when authorized by the Treasury Board, may determine. The principal of and premium, if any, and interest on the bonds and BANs shall be payable in lawful money of the United States of America. Bonds and BANs may be certificated or uncertificated as determined by the Treasury Board. The Treasury Board may contract for services of such registrars, transfer agents, or other authenticating agents as it deems appropriate to maintain a record of the persons entitled to the bonds and BANs. Bonds and BANs may be issued under a system of book entry for recording the ownership and transfer of ownership rights to receive payments on the bonds and BANs. The Treasury Board shall fix the denomination or denominations of the bonds and the place or places of payment of principal, premium, if any, and interest, which may be at the office of the State Treasurer or at any one or more banks or trust companies within or without the Commonwealth.

The Treasury Board may sell the bonds and any BANs in such manner, either by competitive bidding, negotiated sale or private placement, and for such price as it may determine, by and with consent of the Governor, to be in the interest of the Commonwealth.

At the discretion of the Treasury Board, bonds and BANs may be issued at one time or in part from time to time and may be issued and sold at the same time with other general obligation bonds and bond anticipation notes, respectively, of the Commonwealth authorized pursuant to Article X, Section 9(a)(3),

(b) or (c) of the Constitution of Virginia, either as separate issues, as a combined issue designated "Commonwealth of Virginia General Obligation Bonds [Bond Anticipation Notes], Series 20....," or as a combination of both. The bonds and BANs shall be signed on behalf of the Commonwealth by the Governor and by the State Treasurer, or shall bear their facsimile signatures, and shall bear the lesser seal of the Commonwealth or a facsimile thereof. In the event that the bonds or BANs bear the facsimile signature of the State Treasurer, they shall be signed by such administrative assistant as the State Treasurer shall determine or by such registrar or paying agent as may be designated to sign them by the Treasury Board. If any officer whose signature or facsimile signature shall appear on any bonds or BANs shall cease to be such officer before the delivery, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery, and any bond or BAN may bear the facsimile signature of, or may be signed by, such persons as at the actual time of the execution are the proper officers to sign such bond or BAN although, at the date of such bond or BAN, such persons may not have been such officers.

§ 6. Refunding. The Treasury Board is hereby authorized, by and with the consent of the Governor, to sell and issue, at one time or from time to time, refunding bonds and BANs of the Commonwealth, to refund any or all of the bonds and BANs, respectively, issued under this act or otherwise pursuant to Article X, Section 9(b), of the Constitution of Virginia. Refunding bonds and BANs may be issued in a principal amount up to the amount necessary to pay at maturity or redeem the bonds and BANs to be refunded and pay all issuance costs and other financing expenses of the refunding. Such refunding bonds and BANs may be issued whether or not the bonds or BANs to be refunded are then subject to redemption. Any escrow or trust fund established with the proceeds from the sale of refunding bonds shall be irrevocably pledged to the payment of the bonds to be refunded, and shall be used solely to pay such bonds or BANs at maturity or upon redemption or for the purchase of not less than all of the bonds or BANs to be refunded. Any such escrow or trust fund shall constitute a special fund for the payment of such refunded bonds or BANs, and such refunded bonds or BANs, to the extent of amounts, including the maturity amounts of investments, set aside for the payment thereof in such escrow or trust fund, shall not be included for the purposes of determining any limitations upon the amount of bonded indebtedness of the Commonwealth that may be incurred pursuant to Article X, Section 9(b), of the Constitution of Virginia. The Treasury Board may, however, direct that the interest received from the investment of the proceeds of the bonds or any BANs be transferred to the general fund of the State Treasury.

§ 7. Authorized investments. Pending the application of the proceeds of the bonds or BANs (including refunding bonds and BANs) to the purpose for which they have been authorized and the application of funds set aside for the purpose to the payment of bonds or BANs, they may be invested by the State Treasurer in securities that are legal investments under the laws of the Commonwealth for public funds and sinking funds, as the case may be. Whenever the State Treasurer receives interest from the investment of the proceeds of bonds or any BANs, such interest shall become a part of the principal of the bonds or any BANs and shall be used in the same manner as required for principal of the bonds or BANs.

§ 8. Security for bonds and BANs. The full faith and credit of the Commonwealth is hereby irrevocably pledged for the payment of the principal of and the interest on bonds, refunding bonds, and (unless the Treasury Board, by and with the consent of the Governor, shall provide otherwise) BANs issued under this act. The proceeds of (i) bonds the issuance of which has been anticipated by BANs, (ii) refunding bonds and (iii) refunding BANs are hereby irrevocably pledged for the payment of principal of and interest and any premium on such bonds or BANs to be refunded thereby. In addition, the Treasury Board may pledge the full faith and credit of the Commonwealth for the payment of the principal of and interest on any BANs. If sufficient funds are not appropriated in the general appropriations act for any fiscal year for the timely payment of the principal of and the interest on the bonds, any refunding bonds or any BANs where the full faith and credit of the Commonwealth has been pledged, there shall be set apart by direction of the Governor, from the first general fund revenues received during such fiscal year and thereafter, a sum sufficient to pay such principal and interest.

§ 9. Expenses. All expenses incurred under this act shall be paid from the proceeds of the bonds, or any refunding bonds or BANs, or from any other available funds as the Treasury Board shall determine.

§ 10. Exemption of interest from tax. The bonds and BANs issued under the provisions of this Act, their transfer, and the income therefrom, including any profit made on the sale thereof, shall at all times be exempt from taxation by the Commonwealth and by any political subdivision thereof. The interest on the bonds and any refunding bonds or BANs may be subject to inclusion in gross income of the holders thereof for federal income tax purposes.

§ 11. Referendum. The question of the effectiveness of this act and the authorization of the bonds shall be submitted to the qualified voters of the Commonwealth at the general election to be held on Tuesday, November 5, 2002. The referendum shall be supervised and held, notice thereof given, ballots

prepared, returns made and certified, votes canvassed and results ascertained and made known, as provided by law. The ballots to be used at the election shall pose the question in substantially the following form:

QUESTION: Shall Chapter ____, Acts of the General Assembly of 2002, authorizing the issuance of general obligation bonds of the Commonwealth of Virginia in the maximum amount of \$119,040,000 pursuant to Article X, Section 9(b) of the Constitution of Virginia for capital projects for parks and recreational facilities, take effect?

The State Board of Elections shall without delay make out and transmit to the Governor and to the Treasury Board an official copy of the report of the whole number of votes cast at the election for and against the act, certified by it.

If a majority of those voting thereon shall vote in favor of this act, this act shall take effect and the bonds may be issued as hereinabove provided. If a majority of those voting thereon shall vote against this act, this act shall not take effect and the bonds shall not be issued.

The expenses incurred in conducting this election shall be defrayed as in the case of election of members of the General Assembly.

§ 12. Reimbursement. The Department of Conservation and Recreation may apply any available nongeneral funds to initiate a project authorized in § 3 hereof, and the appropriations provided for in this act may be used to reimburse the Department for nongeneral funds so applied. Such reimbursement shall be contingent upon the availability of appropriations provided for in this act. Reimbursement shall be made only for projects authorized in § 3 hereof which were supplemented with nongeneral funds on and after January 1, 2002, provided that any such expenditures have received the prior written approval of the Director of the Department of Planning and Budget.

§ 13. Severability. The provisions of this act or the application thereof to any person or circumstance that are held invalid shall not affect the validity of other provisions or applications of this act that can be given effect without the invalid provisions or applications.

2. That the Secretary of Finance, in conjunction with the Secretaries of Natural Resources and Administration, shall provide to the chairmen of the Senate Finance Committee and House Appropriations Committee, beginning in 2003, by April 1 and September 1 of each year, until such capital projects as are herein authorized are completed, a status report on the projects, including (i) the status of compliance with the expedited capital outlay review process as set forth in the first enactment of this act and § 2.2-1132 of the Code of Virginia, and (ii) the most recent approved draw schedules for the projects included in this act.