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**HOUSE BILL NO. 1386**

Offered January 22, 2004

*A BILL to amend and reenact § 2.2-204 of the Code of Virginia and to amend the Code of Virginia by adding in Chapter 22 of Title 2.2 an article numbered 9, consisting of sections numbered 2.2-2328 through 2.2-2345, and to repeal Chapter 946 of the 1993 Acts of Assembly, as amended by Chapter 731 of the 2000 Acts of Assembly, relating to the Virginia Biotechnology Research Partnership Authority.*

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 Referred to Committee on General Laws
 

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**Be it enacted by the General Assembly of Virginia:**

**1. That § 2.2-204 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding in Chapter 22 of Title 2.2 an article numbered 9, consisting of sections numbered 2.2-2328 through 2.2-2345, as follows:**

§ 2.2-204. Position established; agencies for which responsible; additional duties.

The position of Secretary of Commerce and Trade (the "Secretary") is created. The Secretary shall be responsible to the Governor for the following agencies: Department of Business Assistance, Department of Forestry, *Virginia Biotechnology Research Partnership Authority*, Virginia Economic Development Partnership Authority, Virginia Tourism Authority, Department of Labor and Industry, Department of Mines, Minerals and Energy, Virginia Employment Commission, Department of Professional and Occupational Regulation, Milk Commission, Department of Agriculture and Consumer Services, Department of Housing and Community Development, Department of Minority Business Enterprise, Virginia Housing Development Authority, Virginia Resources Authority, Virginia Racing Commission, Tobacco Indemnification and Community Revitalization Commission, Virginia Agricultural Council, Board of Accountancy, and Virginia Marine Products Board. The Governor, by executive order, may assign any state executive agency to the Secretary, or reassign any agency listed in this section to another Secretary.

The Secretary shall implement the provisions of the Virginia Biotechnology Research Act (§ 2.2-5500 et seq.).

*Article 9.**Virginia Biotechnology Research Partnership Authority.*

§ 2.2-2328. *Short title; definitions.*

*A. This article shall be known and may be cited as the "Virginia Biotechnology Research Partnership Authority Act."*

§ 2.2-2329. *Definitions.*

*As used in this article, unless the context requires a different meaning:*

*"Authority" means the political subdivision created by this article.*

*"Board" means the board of directors of the Authority.*

*"Bonds" means the notes, bonds, certificates and other evidences of indebtedness or obligations of the Authority.*

*"Federal agency" means the United States; the President of the United States; and any department, corporation, agency, or instrumentality thereof or hereafter created, designated, or established by the United States.*

*"Person" means natural persons, firms, foundations, associations, corporations, business trusts, partnerships, joint ventures and public bodies, including, but not limited to, the Commonwealth of Virginia; any state of the United States; and any agency, department, institution, political subdivision or instrumentality thereof.*

*"Project" means the construction, improvement, furnishing, maintenance, acquisition or operation of any facility or the provision for or funding of any activity that will further the purposes described in § 2.2-2330.*

§ 2.2-2330. *Declaration of public purpose; Authority continued.*

*A. The General Assembly has determined that there exists in the Commonwealth a need to (i) disseminate knowledge pertaining to scientific and technological research and development among public and private entities, including but not limited to knowledge in the area of biotechnology; (ii) promote the industrial and economic development of the Commonwealth by attracting and retaining biotechnology jobs and businesses in Virginia; (iii) mobilize support for biotechnology industries to commercialize new products and processes, including organizing assistance for small business and*

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59 supporting select industry sectors and regional biotechnology efforts; (iv) enhance and expand the  
60 biotechnological research and development capabilities of the institutions of higher education in the  
61 Commonwealth and coordinate such capabilities with the biotechnological research and development  
62 activities and requirements of the public and private sectors, including transferring technological  
63 advances to the private sector; (v) attract research and development (R&D) facilities and contracts from  
64 the federal government and private sector, including coordinating efforts to identify and compete for  
65 large federal and private sector R&D facilities, tracking federal biotechnology initiatives and  
66 recommending state actions, and developing a statewide strategy to compete for large R&D contracts;  
67 (vi) facilitate and coordinate the marketing, organization, utilization and development of scientific and  
68 biotechnological research and development in the Commonwealth; and (vii) administer the Virginia  
69 Biotechnology Macro Partnership Program or other statewide programs that may from time-to-time be  
70 created by the Commonwealth related to building and enhancing the Commonwealth's competitiveness in  
71 building a biotechnology and life sciences industry.

72 B. To achieve the objective of subsection A, there is created a political subdivision of the  
73 Commonwealth to be known as the Virginia Biotechnology Research Partnership Authority ("Authority").  
74 The Authority's exercise of powers and duties conferred by this article shall be deemed the performance  
75 of an essential governmental function and matters of public necessity for which public moneys may be  
76 spent and private property acquired.

77 § 2.2-2331. Board of directors; members and officers; Executive Director.

78 A. The Authority shall be governed by a board of directors consisting of not less than nine nor more  
79 than 15 members, three of whom shall be the President of Virginia Commonwealth University, the  
80 Mayor of the City of Richmond, and the Secretary of Commerce and Trade for the Commonwealth, who  
81 shall serve as directors during their terms of office. Any of the aforesaid ex officio members of the  
82 board may, from time to time and by written notice to the chairman of the board of the Authority,  
83 appoint a designee, under such terms as the designator may provide, to act on behalf of such  
84 designator. Such designee, for the term of the designation, shall be treated in all respects as a director  
85 and shall have all powers of a director, including, without limitation, the powers to (i) attend and be  
86 heard at meetings of the board, thereby counting toward the number of the directors present for the  
87 purpose of determining whether a quorum exists; (ii) vote as a member of the board; and (iii) function  
88 as the holder of any office held by the designator or as a member of any committee of which the  
89 designator is a member. Six members of the board shall be appointed by the Governor from a list of  
90 nominations submitted by the board of directors of the Virginia Biotechnology Research Park, a  
91 not-for-profit nonstock Virginia corporation. Two of the directors appointed by the Governor shall be  
92 appointed for terms of one year, two for terms of two years, and two for terms of three years, from the  
93 effective date of their appointment; and thereafter, the members of the board shall be appointed for  
94 terms of three years.

95 B. Upon implementation of any statewide program, referred to as the Virginia Biotechnology Macro  
96 Partnership, which results in funds being distributed to partnerships or collaborations of government,  
97 nonprofit enterprises or not-for-profit enterprises, for purposes of building and enhancing the  
98 Commonwealth's competitiveness, the Governor may appoint a representative of that partnership to  
99 serve on the board of the Authority for a term of three years, or such lesser time as the eligible  
100 partnership or consortium may be receiving funds and assistance from the Authority under the program.  
101 In the event the funding and assistance continues beyond three years, the Governor may reappoint for a  
102 second three-year term the same representative or another representative of that entity. One  
103 representative from each partnership or consortium receiving funding under the Virginia Biotechnology  
104 Macro Partnership program will be eligible to serve on the board of the Authority during the period  
105 such entity is receiving funding and assistance under the program so long as the total number of  
106 additional directors does not exceed six directors who may be appointed in the same manner and for the  
107 same length of time.

108 C. All members of the board appointed by the Governor shall be confirmed by each house of the  
109 General Assembly. Vacancies in the membership of the board shall be filled by appointment for the  
110 unexpired portion of the term. Immediately after appointment, the directors shall enter upon the  
111 performance of their duties.

112 D. Members of the board shall be subject to removal from office in like manner as are state, county,  
113 town and district officers under the provisions of §§ 24.2-230 through 24.2-238. The Circuit Court of  
114 the City of Richmond shall have exclusive jurisdiction over all proceedings for such removal.

115 E. The board shall annually elect from its membership a chairman and a vice chairman, and shall  
116 also elect a secretary and a treasurer, who need not be members of the board, and may also elect other  
117 subordinate officers, who need not be members of the board. The chairman, or in his absence, the vice  
118 chairman shall preside at all meetings of the board. In the absence of both the chairman and vice  
119 chairman, the board shall appoint a chairman pro tempore, who shall preside at such meetings.

120 F. Five directors shall constitute a quorum for the transaction of the Authority's business, and no

vacancy in the membership shall impair the right of a quorum to exercise the rights and perform all duties of the Authority.

G. The members of the board shall be entitled to reimbursement for their reasonable travel, meal and lodging expenses incurred in attending the meetings of the board or while otherwise engaged in the discharge of their duties as provided in § 2.2-2104. Such expenses shall be paid out of the treasury of the Authority upon vouchers signed by the chairman of the board or by such other person as may be designated by the board for this purpose.

H. The board may employ an Executive Director of the Authority, who shall serve at the pleasure of the board, to direct the day-to-day operations and activities of the Authority and carry out the powers and duties conferred upon him by the board.

I. The Executive Director and employees of the Authority shall be compensated in the manner provided by the board and shall not be subject to the Virginia Personnel Act (§ 2.2-2900 et seq).

§ 2.2-2332. Powers of the Authority.

The Authority is hereby granted all powers necessary or convenient for the carrying out of its statutory purposes, including, but not limited to, the following rights and powers to:

1. Sue and be sued, implead and be impleaded, complain and defend in all courts;

2. Adopt, use, and alter at will a corporate seal;

3. Acquire, receive by gift or devise, purchase, hold, use, lease, sell or otherwise dispose of any project and property, real, personal or mixed, tangible or intangible, or any interest therein necessary or desirable for carrying out the purposes of the Authority, and, without limitation of the foregoing, to lease as lessee, any project and any property, real, personal or mixed, or any interest therein, at such annual rental and on such terms and conditions as may be determined by the Board;

4. Acquire title to property in its own name;

5. Plan, develop, undertake, carry out, construct, equip, improve, rehabilitate, repair, furnish, maintain, and operate projects;

6. Adopt bylaws for the management and regulation of its affairs;

7. Fix, alter, charge, and collect rates, rentals, and other charges for the use of projects of, the sale of products of, or services rendered by the Authority at rates to be determined by it for the purpose of providing for the payment of the expenses of the Authority; the planning, development, construction, improvement, rehabilitation, repair, furnishing, maintenance, and operation of its projects and properties; the payment of the costs of accomplishing its purposes as set forth in § 2.2-2330; the payment of the principal of and interest on its obligations; and the creation of reserves for such purposes, for other purposes of the Authority and to pay the cost of maintaining, repairing and operating any project or projects and fulfilling the terms and provisions of any agreements made with the purchasers or holders of any such obligations;

8. Borrow money, make and issue bonds including bonds as the Authority may determine to issue for the purpose of accomplishing the purposes set forth in § 2.2-2330 or for refunding bonds previously issued by the Authority, whether or not such outstanding bonds have matured or are then subject to redemption, or any combination of such purposes; secure the payment of all bonds, or any part thereof, by pledge, assignment or deed of trust of all or any of its revenues, rentals, and receipts or of any project or property, real, personal or mixed, tangible or intangible, or any rights and interest therein; make such agreements with the purchasers or holders of such bonds or with others in connection with any such bonds, whether issued or to be issued, as the Authority deems advisable; and in general to provide for the security for such bonds and the rights of holders thereof;

9. Make and enter into all contracts and agreements necessary or incidental to the performance of its duties, the furtherance of its purposes and the execution of its powers under this article, including agreements with any person or federal agency;

10. Employ, in its discretion, consultants, attorneys, architects, engineers, accountants, financial experts, investment bankers, superintendents, managers and such other employees and agents as may be necessary, and to fix their compensation to be payable from funds made available to the Authority;

11. Receive and accept from any federal or private agency, foundation, corporation, association or person grants, donations of money, real or personal property to be expended in accomplishing the objectives of the Authority, and to receive and accept from the Commonwealth or any state, and any municipality, county or other political subdivision thereof and from any other source, aid or contributions of either money, property, or other things of value, to be held, used and applied only for the purposes for which such grants and contributions may be made;

12. Render advice and assistance, and to provide services, to institutions of higher education and to other persons providing services or facilities for scientific and technological research or graduate education, provided that credit towards a degree, certificate or diploma shall be granted only if such education is provided in conjunction with an institution of higher education authorized to operate in Virginia;

182 13. Develop, undertake and provide programs, alone or in conjunction with any person or federal  
183 agency, for scientific and technological research, technology management, continuing education and  
184 in-service training; however, credit towards a degree, certificate or diploma shall be granted only if  
185 such education is provided in conjunction with an institution of higher education authorized to operate  
186 in Virginia; foster the utilization of scientific and technological research, information, discoveries and  
187 data and obtain patents, copyrights, trademarks and other intellectual property protection thereon;  
188 coordinate the scientific and technological research efforts of public institutions and private industry  
189 and collect and maintain data on the development and utilization of scientific and technological  
190 research capabilities;

191 14. Pledge or otherwise encumber all or any of the revenues or receipts of the Authority as security  
192 for all or any of the obligations of the Authority;

193 15. Establish and maintain satellite offices within the Commonwealth; and

194 16. Do all acts and things necessary or convenient to carry out the powers granted to it by law.

195 § 2.2-2333. Form, terms, execution and sale of bonds and loans; use of proceeds; interim receipts or  
196 temporary bonds; lost or destroyed bonds; faith and credit of state and political subdivisions not  
197 pledged; expenses.

198 The bonds of each issue shall be dated; shall bear interest at such rates as shall be fixed by the  
199 Authority, or as may be determined in such manner as the Authority may provide, including the  
200 determination by agents designated by the Authority; shall mature at such time not exceeding 40 years  
201 from their date, as may be determined by the Authority, and may be made redeemable before maturity,  
202 at the option of the Authority, at such price or prices and under such terms and conditions as may be  
203 fixed by the Authority prior to the issuance of the bonds. The Authority shall determine the form of  
204 bonds and their manner of execution, and shall fix the denomination of the bonds and the place of  
205 payment of principal and interest, which may be at any bank or trust company within or without the  
206 Commonwealth. The bonds shall be signed by the chairman or vice chairman of the Authority, or if so  
207 authorized by the Authority, shall bear his facsimile signature, and the official seal of the Authority, or,  
208 if so authorized by the Authority, a facsimile signature thereof shall be impressed or imprinted thereon  
209 and attested by the secretary or any assistant secretary of the Authority, or, if so authorized by the  
210 Authority, with the facsimile signature of such secretary or assistant secretary. Any coupons attached to  
211 bonds issued by the Authority shall bear the signature of the chairman or vice chairman of the  
212 Authority or a facsimile thereof. In case any officer whose signature or a facsimile of whose signature  
213 shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds,  
214 such signature or facsimile shall nevertheless be valid and sufficient for all purposes the same as if he  
215 had remained in office until such delivery and any bonds may bear the facsimile signature of, or may be  
216 signed by, such persons as at the actual time of the execution of such bonds shall be the proper officers  
217 to sign such bonds although at the date of such bonds such persons may not have been such officers.  
218 The bonds may be issued in coupon or in registered form, or both, as the Authority may determine, and  
219 provision may be made for the registration of any coupon bonds as to principal alone and also as to  
220 both principal and interest, for the reconversion into coupon bonds of any bonds registered as to both  
221 principal and interest, and for the interchange of registered and coupon bonds. Bonds issued in register  
222 form may be issued under a system of book-entry for recording the ownership and transfer of ownership  
223 of rights to receive payment of principal of, and premium on, if any, and interest on such bonds.

224 The Authority may contract for the services of one or more banks, trust companies, financial  
225 institutions or other entities or persons, within or without the Commonwealth, for the authentication,  
226 registration, transfer, exchange and payment of the bonds, or may provide such services itself.

227 The Authority may sell such bonds in such manner, either at public or private sale, and for such  
228 price, as it may determine will best effect the purposes of this article.

229 The proceeds of the bonds of each issue shall be used solely for the purposes, and in furtherance of  
230 the powers, of the Authority as may be provided in the resolution authorizing the issuance of such bonds  
231 or in the trust agreement authorized by § 2.2-2334 securing the bonds.

232 In addition to the above powers, the Authority may issue interim receipts or temporary bonds as  
233 provided in § 15.2-2616 and execute and deliver new bonds in place of bonds mutilated, lost or  
234 destroyed, as provided in § 15.2-2621.

235 The Authority may borrow money for any of its purposes in the form of loans, and authorize its  
236 officers to enter into such loans on behalf of the Authority, to approve the terms and conditions thereof,  
237 including the securing of the payment of such loans in any manner permitted for bonds, and to execute  
238 all documents necessary or desirable in connection therewith, subject to any limits on the principal  
239 amount, interest rate, maturity and other terms as may be established by the board from time to time.

240 No obligation of the Authority shall be deemed to constitute a debt, or pledge of the faith and credit,  
241 of the Commonwealth or of any political subdivision thereof, but shall be payable solely from the  
242 revenue and other funds of the Authority pledged thereto. All such obligations shall contain on the face  
243 thereof a statement to the effect that the Commonwealth, political subdivisions thereof and the Authority

shall not be obligated to pay the same or the interest thereon except from revenues and other funds of the Authority pledged thereto, and that neither the faith and credit nor the taxing power of the Commonwealth or of any political subdivision thereof is pledged to the payment of the principal of or the interest on such obligations.

All expenses incurred in carrying out the provisions of this article shall be payable solely from funds provided under the provisions of this article, and no liability shall be incurred by the Authority beyond the extent to which moneys have been provided under the provisions of this article.

§ 2.2-2334. Trust indenture or agreement securing bonds.

At the discretion of the Authority, any bonds issued under the provisions of this article may be secured by a trust indenture or agreement by and between the Authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the Commonwealth. The trust indenture or agreement or the resolution providing for the issuance of the bonds may (i) pledge or assign the revenues to be received and provide for the mortgage of any project or property or any part thereof and (ii) contain provisions for (a) protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants providing for the repossession and sale by the Authority or any trustees under any trust indenture or agreement of any project, or part thereof, upon any default under the lease or sale of such project, setting forth the duties of the Authority in relation to the acquisition of property and the planning, development, acquisition, construction, rehabilitation, establishment, improvement, extension, enlargement, maintenance, repair, operation and insurance of the project in connection with which the bonds have been authorized; (b) the rates, rents, fees and other amounts to be charged and the collection of those amounts; (c) the custody, safeguarding and application of all moneys; and (d) conditions or limitations with respect to the issuance of additional bonds. It shall be lawful for any bank or trust company with its main office in, or incorporated under the laws of, the Commonwealth or any other state, which may act as depository of the proceeds of bonds or of revenues, to furnish such indemnifying bonds or to pledge such securities as may be required by the Authority. Any such trust indenture or agreement or resolution may set forth the rights of action by bondholders. In addition to the foregoing, any trust indenture or agreement or resolution may contain such other provisions as the Authority may deem reasonable and proper for the security of the bondholders including, without limitation, provisions for the assignment to a corporate trustee or escrow agent of any rights of the Authority in any project owned by, or leases or sales of any projects made by, the Authority. All expenses incurred in carrying out the provisions of the trust indenture or agreement or resolution or other agreements relating to any project, including those to which the Authority may not be a party, may be treated as a part of the cost of the operation of the project or projects.

§ 2.2-2335. Moneys received deemed trust funds.

All moneys received pursuant to the authority of this article, whether as proceeds from the sale of bonds or as revenues, shall be deemed to be trust funds to be held and applied solely as provided in this article. The resolution authorizing the bonds of any issue or the trust indenture or agreement or resolution securing such bonds shall provide that any officer with whom, or any bank or trust company with which, such moneys shall be deposited shall act as a trustee of such moneys and shall hold and apply the same for the purposes hereof, subject to the regulations as this article and the trust indenture or agreement or resolution may provide.

§ 2.2-2336. Proceedings by bondholder or trustee to enforce rights.

Any holder of bonds issued under the provisions of this article or any of the coupons appertaining thereto, and the trustee under any trust indenture or agreement or resolution, except to the extent the rights herein given may be restricted by such trust indenture or agreement or resolution authorizing the issuance of such bonds, may either at law or in equity, by suit, action, mandamus or other proceeding, protect and enforce any and all rights under the laws of the Commonwealth or granted hereunder or under such trust indenture or agreement or resolution, and may enforce and compel the performance of all duties required by this article or by such trust indenture or agreement or resolution to be performed by the Authority or by any officer thereof, including the fixing, charging, and collecting of rates, rentals, fees, and other charges.

§ 2.2-2337. Bonds made securities for investment and deposit.

Bonds issued by the Authority under the provisions of this article shall be securities in which all public officers and public bodies of the Commonwealth and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees, and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Such bonds shall be securities that may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the Commonwealth for any purpose for which the deposit of bonds or obligations of the Commonwealth is now or may be authorized by law.

305 § 2.2-2338. *Refunding bonds; bonds for refunding and for costs of additional projects.*

306 *The Authority may provide for the issuance of refunding bonds of the Authority for the purpose of*  
307 *refunding any bonds then outstanding that have been issued under the provisions of this article,*  
308 *including the payment of any redemption premium thereon and any interest accrued or to accrue to the*  
309 *date of redemption of the bonds. The issuance of such bonds, the maturities and other details thereof,*  
310 *the rights of the holders thereof, and the rights, duties and obligations of the Authority in respect of the*  
311 *same shall be governed by the provisions of this article insofar as the same may be applicable.*

312 § 2.2-2339. *Grants or loans of public or private funds.*

313 *The Authority may accept, receive, receipt for, disburse, and expend federal and state moneys and*  
314 *other moneys, public or private, made available by grant or loan or both or otherwise, to accomplish,*  
315 *in whole or in part, any of the purposes of this article. All federal moneys accepted under this section*  
316 *shall be accepted and expended by the Authority upon such terms and conditions as are prescribed by*  
317 *the United States and as are consistent with the laws of the Commonwealth; and all state moneys*  
318 *accepted under this section shall be accepted and expended by the Authority upon such terms and*  
319 *conditions as are prescribed by the Commonwealth.*

320 § 2.2-2340. *Appropriations by any government.*

321 *Any government may make appropriations for the acquisition, construction, improvement,*  
322 *maintenance or operation of any project acquired, constructed, improved, maintained or operated by the*  
323 *Authority.*

324 § 2.2-2341. *Conveyance, lease or transfer of property by a city or county to the Authority.*

325 *Any city or county within the Commonwealth to provide for the construction, reconstruction,*  
326 *improvement, repair or management of any project, or to accomplish any of the purposes of this article*  
327 *may, with or without consideration or for a nominal consideration, lease, sell, convey or otherwise*  
328 *transfer to the Authority any real, personal or mixed property located within such city or county.*

329 § 2.2-2342. *Moneys of Authority; forms of account and records; audit; annual report.*

330 *A. All moneys of the Authority, from whatever source derived, shall be paid to the treasurer of the*  
331 *Authority. Such moneys shall be deposited in the first instance by the treasurer in one or more banks or*  
332 *trust companies, in one or more special accounts. All banks and trust companies are authorized to give*  
333 *such security for such deposits, if required by the Authority. The moneys in such accounts shall be paid*  
334 *out on the warrant or other order of the treasurer of the Authority or of other persons as the Authority*  
335 *may authorize to execute such warrants or orders.*

336 *B. The accounts and records of the Authority showing the receipt and disbursement of funds from*  
337 *whatever source derived, shall be in such form as the Auditor of Public Accounts shall prescribe.*

338 *C. The Auditor of Public Accounts and his legally authorized representatives, shall annually examine*  
339 *the accounts and books of the Authority. Such accounts shall correspond as nearly as possible to the*  
340 *accounts and records for such matters maintained by corporate enterprises.*

341 *D. The Authority shall submit an annual report to the Governor and General Assembly on or before*  
342 *November 1 of each year. Such report shall contain the audited annual financial statements of the*  
343 *Authority for the year ending the preceding June 30. The annual report shall be distributed in*  
344 *accordance with the provisions of § 2.2-1127.*

345 § 2.2-2343. *Exemption from taxes or assessments.*

346 *The exercise of the powers granted by this article shall be in all respects for the benefit of the*  
347 *people of the Commonwealth, for the increase of their commerce and prosperity, and for the*  
348 *improvement of their health and living conditions, and as the operation and maintenance of projects by*  
349 *the Authority and the undertaking of activities in furtherance of the purposes of the Authority constitute*  
350 *the performance of essential governmental functions, the Authority shall not be required to pay any*  
351 *taxes or assessments upon any project or any property acquired or used by the Authority under the*  
352 *provisions of this article or upon the income therefrom, including sales and use taxes on the tangible*  
353 *personal property used in the operations of the Authority. The exemption granted in this section shall*  
354 *not be construed to extend to persons conducting, on the premises of the facility, businesses for which*  
355 *local or state taxes would otherwise be required.*

356 *Any bonds or refunding bonds issued under the provisions of this article, any transfer of such bonds,*  
357 *and the interest on the bonds and any refunding bonds or bond anticipation notes shall at all times be*  
358 *exempt from state and local taxation.*

359 § 2.2-2344. *Exemption of Authority from personnel and procurement procedures.*

360 *The provisions of the Virginia Personnel Act (§ 2.2-2900 et seq.) and the Virginia Public*  
361 *Procurement Act (§ 2.2-4300 et seq.) shall not apply to the Authority in the exercise of any power*  
362 *conferred under this article.*

363 § 2.2-2345. *Creation of entities; participation in joint ventures; provision of assistance by Authority;*  
364 *moneys.*

365 *The Authority may:*

366 *1. Create or assist in the creation of, may own in whole or in part or otherwise control, and may*

participate in or with any entities, public or private;

2. Purchase, receive, subscribe for, own, hold, vote, use, employ, sell, mortgage, lend, pledge, or otherwise acquire or dispose of any (i) shares or obligations of, or other interests in, any entities organized for any purpose within or without the Commonwealth and (ii) obligations of any persons or corporation;

3. Participate, through ownership or otherwise, in joint ventures with individuals, corporations, governmental bodies or agencies or political subdivisions thereof, partnerships, associations, limited liability companies, insurers or other entities to facilitate any activities or programs consistent with the public purposes and intent of this article;

4. Create nonprofit entities for the purpose of facilitating any activities or programs consistent with the public purposes and intent of this article, and exercise control of such entities through the appointment of directors or otherwise; and

5. Provide appropriate assistance, including making loans and providing time of employees, to the entities described in this section whether or not such entities are owned or controlled in whole or in part, directly or indirectly, by the Authority. The Auditor of Public Accounts shall work with the Authority to ensure that all such activities authorized by this section maintain appropriate public accountability.

**2. That Chapter 946 of the 1993 Acts of Assembly, as amended by Chapter 731 of the 2000 Acts of Assembly, is repealed.**