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## HOUSE BILL NO. 3202

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Appropriations  
on January 31, 2007)(Patrons Prior to Substitute—Delegates Howell, W.J. [HB 3202], Albo [HB 2434], Sickles [HB 2813],  
Phillips [HB 2881], and Callahan [HB 3067])

A *BILL to amend and reenact §§ 2.2-1514, 10.1-1188, 15.2-2403, 15.2-4831, 15.2-4839, 15.2-4840, 33.1-1, 33.1-2, 33.1-3, 33.1-13, 33.1-19.1, 33.1-23.03, 33.1-23.03:8, 33.1-67, 33.1-69, 33.1-72.1, 33.1-223.2:12, 33.1-268, 33.1-269, 33.1-277, 46.2-332, 46.2-694, 46.2-694.1, 46.2-697, 46.2-1135, 58.1-540, 58.1-605, 58.1-606, 58.1-2217, 58.1-2249, 58.1-2289, 58.1-2403, 58.1-2701, and 58.1-2706 of the Code of Virginia; to amend the Code of Virginia by adding a section numbered 15.2-2223.1, by adding in Chapter 22 of Title 15.2 an article numbered 9 consisting of sections numbered 15.2-2328 and 15.2-2329, by adding in Article 1 of Chapter 24 of Title 15.2 a section numbered 15.2-2403.1, by adding a section numbered 15.2-4838.1, by adding in Title 30 a chapter numbered 42, consisting of sections numbered 30-278 through 30-283, by adding sections numbered 33.1-23.03:10 and 33.1-23.4:01, by adding in Title 33.1 a chapter numbered 10.2, consisting of sections numbered 33.1-391.6 through 33.1-391.17, by adding sections numbered 46.2-206.1, 46.2-332.1, 46.2-702.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-802.1, 58.1-802.2, 58.1-2402.1, and 58.1-2402.2, by adding in Article 2 of Chapter 25 of Title 58.1 sections numbered 58.1-2531 and 58.1-2532, and by adding sections numbered 58.1-3221.2 and 58.1-3221.3; and to repeal the tenth enactment clauses of Chapter 1019 and Chapter 1044 of the Acts of Assembly of 2000, and to authorize the Commonwealth Transportation Board to issue certain bonds, relating to transportation.*

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

1. That §§ 2.2-1514, 10.1-1188, 15.2-2403, 15.2-4831, 15.2-4839, 15.2-4840, 33.1-1, 33.1-2, 33.1-3, 33.1-13, 33.1-19.1, 33.1-23.03, 33.1-23.03:8, 33.1-67, 33.1-69, 33.1-72.1, 33.1-223.2:12, 33.1-268, 33.1-269, 33.1-277, 46.2-332, 46.2-694, 46.2-694.1, 46.2-697, 46.2-1135, 58.1-540, 58.1-2217, 58.1-2249, 58.1-2289, 58.1-2403, 58.1-2701, and 58.1-2706 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered 15.2-2223.1, by adding in Chapter 22 of Title 15.2 an article numbered 9 consisting of sections numbered 15.2-2328 and 15.2-2329, by adding in Article 1 of Chapter 24 of Title 15.2 a section numbered 15.2-2403.1, by adding a section numbered 15.2-4838.1, by adding in Title 30 a chapter numbered 42, consisting of sections numbered 30-278 through 30-283, by adding sections numbered § 33.1-23.03:10 and 33.1-23.4:01, by adding in Title 33.1 a chapter numbered 10.2, consisting of sections numbered 33.1-391.6 through 33.1-391.17, by adding sections numbered 46.2-206.1, 46.2-332.1, 46.2-702.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-802.1, 58.1-802.2, 58.1-2402.1, and 58.1-2402.2, by adding in Article 2 of Chapter 25 of Title 58.1 sections numbered 58.1-2531 and 58.1-2532, and by adding sections numbered 58.1-3221.2 and 58.1-3221.3, as follows:

§ 2.2-1514. Designation of general fund for nonrecurring expenditures.

A. As used in this section:

"The Budget Bill" means the "The Budget Bill" submitted pursuant to § 2.2-1509, including any amendments to a general appropriation act pursuant to such section.

"Nonrecurring expenditures" means the acquisition or construction of capital outlay projects as defined in § 2.2-1503.2, the acquisition or construction of capital improvements, the acquisition of land, the acquisition of equipment, or other expenditures of a one-time nature as specified in the general appropriation act. *Such term shall not include any expenditures relating to transportation, including but not limited to transportation maintenance.*

B. At the end of each fiscal year, the Comptroller shall designate within his annual report pursuant to § 2.2-813 ~~an amount for nonrecurring expenditures, which shall equal the remaining amount of the general fund balance that is not otherwise reserved or designated.~~ *as follows: one-half of the remaining amount of the general fund balance that is not otherwise reserved or designated shall be designated by the Comptroller for nonrecurring expenditures, and one-half shall be designated for deposit into the Transportation Trust Fund.* No such designation shall be made unless the full amounts required for other reserves or designations including, but not limited to, (i) the Revenue Stabilization Fund deposit pursuant to § 2.2-1829, (ii) the Virginia Water Quality Improvement Fund deposit pursuant to § 10.1-2128, (iii) capital outlay reappropriations pursuant to the general appropriation act, (iv) (a) operating expense reappropriations pursuant to the general appropriation act, and (b) reappropriations of unexpended appropriations to certain public institutions of higher education pursuant to § 2.2-5005, (v) pro rata rebate payments to certain public institutions of higher education pursuant to § 2.2-5005, (vi) the unappropriated balance anticipated in the general appropriation act for the end of such fiscal year,

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60 and (vii) interest payments on deposits of certain public institutions of higher education pursuant to  
61 § 2.2-5005 are set aside. The Comptroller shall set aside amounts required for clauses (iv) (b), (v), and  
62 (vii) beginning with the initial fiscal year as determined under § 2.2-5005 and for all fiscal years  
63 thereafter.

64 C. The Governor shall include in "The Budget Bill" pursuant to § 2.2-1509 recommended  
65 appropriations from the general fund or recommended amendments to general fund appropriations in the  
66 general appropriation act in effect at that time an amount for nonrecurring expenditures *and an amount*  
67 *for deposit into the Transportation Trust Fund* equal to the ~~amount~~ amounts designated by the  
68 Comptroller for such ~~purpose~~ purposes pursuant to the provisions of subsection B of this section.  
69 § 10.1-1188. State agencies to submit environmental impact reports on major projects.

70 A. All state agencies, boards, authorities and commissions or any branch of the state government  
71 shall prepare and submit an environmental impact report to the Department on each major state project.

72 "Major state project" means the acquisition of an interest in land for any state facility construction,  
73 or the construction of any facility or expansion of an existing facility which is hereafter undertaken by  
74 any state agency, board, commission, authority or any branch of state government, including  
75 state-supported institutions of higher learning, which costs \$100,000 or more. For the purposes of this  
76 chapter, authority shall not include any industrial development authority created pursuant to the  
77 provisions of Chapter 49 (§ 15.2-4900 et seq.) of Title 15.2 or Chapter 643, as amended, of the 1964  
78 Acts of Assembly. Nor shall authority include any housing development or redevelopment authority  
79 established pursuant to state law. For the purposes of this chapter, branch of state government shall not  
80 include any county, city or town of the Commonwealth.

81 Such environmental impact report shall include, but not be limited to, the following:

82 1. The environmental impact of the major state project, including the impact on wildlife habitat;

83 2. Any adverse environmental effects which cannot be avoided if the major state project is  
84 undertaken;

85 3. Measures proposed to minimize the impact of the major state project;

86 4. Any alternatives to the proposed construction; and

87 5. Any irreversible environmental changes which would be involved in the major state project.

88 For the purposes of subdivision 4 of this subsection, the report shall contain all alternatives  
89 considered and the reasons why the alternatives were rejected. If a report does not set forth alternatives,  
90 it shall state why alternatives were not considered.

91 B. For purposes of this chapter, this subsection shall ~~not~~ only apply to the review of highway and  
92 road construction projects or any part thereof. The Secretaries of Transportation and Natural Resources  
93 shall jointly establish procedures for review and comment by state natural and historic resource agencies  
94 of highway and road construction projects. Such procedures shall provide for review and comment on  
95 appropriate projects and categories of projects to address the environmental impact of the project, any  
96 adverse environmental effects which cannot be avoided if the project is undertaken, the measures  
97 proposed to minimize the impact of the project, any alternatives to the proposed construction, and any  
98 irreversible environmental changes which would be involved in the project.

99 § 15.2-2223.1. *Comprehensive plan to include urban development areas; new urbanism.*

100 A. Every county that has adopted zoning pursuant to Article 7 (§ 15.2-2280 et seq.) of Chapter 22 of  
101 Title 15.2, if such locality has a population greater than 50,000 or has had population growth of twenty  
102 percent or more from the next-to-latest to latest decennial census year, based on population reported by  
103 the United States Bureau of the Census shall, and any other county, or any city or town may, amend its  
104 comprehensive plan to incorporate one or more proposed urban development areas. For purposes of  
105 this section, an urban development area is an area designated by a locality that is appropriate for  
106 higher density development due to proximity to transportation facilities, the availability of a public or  
107 community water and sewer system, or proximity to a city, town, or other developed area. The  
108 comprehensive plan shall provide for commercial and residential densities within urban development  
109 areas that are appropriate for reasonably compact development at a density of at least four residential  
110 units per gross acre or a density at least three times greater than the area outside the urban  
111 development area and a minimum floor area ratio of 0.4 per gross acre for commercial development.  
112 The comprehensive plan shall designate one or more urban development areas sufficient to meet  
113 projected residential and commercial growth in the locality for the ensuing 20-year period which may  
114 include phasing of development within the urban development areas. Future growth shall be based on  
115 the projections of the Virginia Employment Commission. The boundaries and size of each urban  
116 development area shall be reexamined and revised every five years in conjunction with the update of the  
117 comprehensive plan and in accordance with the most recent available population growth projections.  
118 Such districts may be areas designated for redevelopment or infill development.

119 B. The comprehensive plan shall further incorporate principles of new urbanism and traditional  
120 neighborhood development, which may include but need not be limited to (i) pedestrian-friendly road  
121 design, (ii) interconnection of new local streets with existing local streets and roads, (iii) connectivity of

road and pedestrian networks, (iv) preservation of natural areas, (v) satisfaction of requirements for stormwater management, and (vi) mixed-use neighborhoods, including mixed housing types.

C. The comprehensive plan shall describe any financial and other incentives for development in the urban development areas.

D. No locality that has amended its comprehensive plan in accordance with this section shall limit or prohibit development pursuant to existing zoning or shall refuse to consider any application for rezoning based solely on the fact that the property is located outside the urban development area.

E. Any county that would be required to amend its plan pursuant to this section that determines that its plan accommodates growth in a manner consistent with this section, upon adoption of a resolution certifying such compliance shall not be required to further amend its plan.

F. Any county that amends its comprehensive plan pursuant to this section may designate one or more urban development areas in any incorporated town within such county, if the governing body of the town has also amended its comprehensive plan to designate the same areas as urban development areas with at least the same density designated by the county.

#### Article 9. Impact Fees.

##### § 15.2-2328. Applicability of article.

The provisions of this article shall apply in their entirety to any locality that has established an urban transportation service district in accordance with § 15.2-2403.1. However, such authority may be exercised only in areas outside of urban transportation service districts and on parcels that are currently zoned agricultural and are being subdivided for by-right residential development. The authority granted under this subsection shall expire on July 1, 2009, for any locality that has not established an urban transportation service district and adopted an impact fee ordinance pursuant to this article by such date.

##### § 15.2-2329. Imposition of impact fees.

A. Any locality that includes within its comprehensive plan a calculation of the capital costs of public facilities necessary to serve residential uses may impose and collect impact fees to cover the costs of issuing permits for residential uses in amounts consistent with the methodologies used in its comprehensive plan to defray the capital costs of public facilities related to the residential development.

B. Impact fees imposed and collected pursuant to this section shall only be used for public facilities that are impacted by development; however, the fees may be used generally in the areas of development in the locality.

C. A locality imposing impact fees as provided in this section shall allow credit against the impact fees for cash proffers collected for the purpose of defraying the capital costs of public facilities related to the residential development. A locality imposing impact fees as provided in this section shall also include within its comprehensive plan a methodology for calculating credit for the value of proffered land donations to accommodate public facilities, and for the construction cost of any public facilities or public improvements the construction of which is required by proffer.

D. A locality imposing impact fees under this section may require that such impact fees be paid prior to and as a condition of the issuance of any necessary building permits for residential uses.

E. For the purposes of this section, "public facilities" shall be deemed to include: (i) roads, streets, and bridges, including rights-of-way, traffic signals, landscaping, and any local components of federal or state highways; (ii) stormwater collection, retention, detention, treatment, and disposal facilities, flood control facilities, and bank and shore protection and enhancement improvements; (iii) parks, open space, and recreation areas and related facilities; (iv) public safety facilities, including police, fire, emergency medical, and rescue facilities; (v) primary and secondary schools and related facilities; and (vi) libraries and related facilities.

##### § 15.2-2403. Powers of service districts.

After adoption of an ordinance or ordinances or the entry of an order creating a service district, the governing body or bodies shall have the following powers with respect to the service districts:

1. To construct, maintain, and operate such facilities and equipment as may be necessary or desirable to provide additional, more complete, or more timely governmental services within a service district, including but not limited to water supply, sewerage, garbage removal and disposal, heat, light, fire-fighting equipment and power and gas systems and sidewalks; economic development services; promotion of business and retail development services; beautification and landscaping; beach and shoreline management and restoration; control of infestations of insects that may carry a disease that is dangerous to humans, gypsy moths, cankerworms or other pests identified by the Commissioner of the Department of Agriculture and Consumer Services in accordance with the Virginia Pest Law (§ 3.1-188.20 et seq.); public parking; extra security, street cleaning, snow removal and refuse collection services; sponsorship and promotion of recreational and cultural activities; upon petition of over 50 percent of the property owners who own not less than 50 percent of the property to be served,

183 construction, maintenance, and general upkeep of streets and roads ~~that are not under the operation and~~  
184 ~~jurisdiction of the Virginia Department of Transportation; construction, maintenance, and general upkeep~~  
185 ~~of streets and roads through creation of urban transportation service districts created pursuant to~~  
186 ~~§ 15.2-2403.1; and other services, events, or activities that will enhance the public use and enjoyment of~~  
187 and the public safety, public convenience, and public well-being within a service district. Such services,  
188 events, or activities shall not be undertaken for the sole or dominant benefit of any particular individual,  
189 business or other private entity.

190 2. To provide, in addition to services authorized by subdivision 1, transportation and transportation  
191 services within a service district, including, but not limited to: public transportation systems serving the  
192 district; transportation management services; road construction; rehabilitation and replacement of existing  
193 transportation facilities or systems; and sound walls or sound barriers. However, any transportation  
194 service, system, facility, roadway, or roadway appurtenance established under this subdivision that will  
195 be operated or maintained by the Virginia Department of Transportation shall be established with the  
196 involvement of the governing body of the locality and meet the appropriate requirements of the  
197 Department. The proceeds from any annual tax or portion thereof collected for road construction  
198 pursuant to subdivision 6 may be accumulated and set aside for such reasonable period of time as is  
199 necessary to finance such construction; however, the governing body or bodies shall make available an  
200 annual disclosure statement, which shall contain the amount of any such proceeds accumulated and set  
201 aside to finance such road construction.

202 3. To acquire in accordance with § 15.2-1800, any such facilities and equipment and rights, title,  
203 interest or easements therefor in and to real estate in such district and maintain and operate the same as  
204 may be necessary and desirable to provide the governmental services authorized by subdivisions 1 and  
205 2.

206 4. To contract with any person, municipality or state agency to provide the governmental services  
207 authorized by subdivisions 1 and 2 and to construct, establish, maintain, and operate any such facilities  
208 and equipment as may be necessary and desirable in connection therewith.

209 5. To require owners or tenants of any property in the district to connect with any such system or  
210 systems, and to contract with the owners or tenants for such connections. The owners or tenants shall  
211 have the right of appeal to the circuit court within 10 days from action by the governing body.

212 6. To levy and collect an annual tax upon any property in such service district subject to local  
213 taxation to pay, either in whole or in part, the expenses and charges for providing the governmental  
214 services authorized by subdivisions 1, 2 and 11 and for constructing, maintaining, and operating such  
215 facilities and equipment as may be necessary and desirable in connection therewith; however, such  
216 annual tax shall not be levied for or used to pay for schools, police, or general government services not  
217 authorized by this section, and the proceeds from such annual tax shall be so segregated as to enable the  
218 same to be expended in the district in which raised. In addition to the tax on property authorized herein,  
219 in any city having a population of 350,000 or more and adjacent to the Atlantic Ocean, the city council  
220 shall have the power to impose a tax on the base transient room rentals, excluding hotels, motels, and  
221 travel campgrounds, within such service district at a rate or percentage not higher than five percent  
222 which is in addition to any other transient room rental tax imposed by the city. The proceeds from such  
223 additional transient room rental tax shall be deposited in a special fund to be used only for the purpose  
224 of beach and shoreline management and restoration. Any locality imposing a tax pursuant to this  
225 subdivision may base the tax on the full assessed value of the taxable property within the service  
226 district, notwithstanding any special use value assessment of property within the service district for land  
227 preservation pursuant to Article 4 (§ 58.1-3229 et seq.) of Chapter 32 of Title 58.1, provided the owner  
228 of such property has given written consent. In addition to the taxes and assessments described herein, a  
229 locality creating a service district may contribute from its general fund any amount of funds it deems  
230 appropriate to pay for the governmental services authorized by subdivisions 1, 2, and 11 of this section.

231 7. To accept the allocation, contribution or funds of, or to reimburse from, any available source,  
232 including, but not limited to, any person, authority, transportation district, locality, or state or federal  
233 agency for either the whole or any part of the costs, expenses and charges incident to the acquisition,  
234 construction, reconstruction, maintenance, alteration, improvement, expansion, and the operation or  
235 maintenance of any facilities and services in the district.

236 8. To employ and fix the compensation of any technical, clerical, or other force and help which from  
237 time to time, in their judgment may be necessary or desirable to provide the governmental services  
238 authorized by subdivisions 1, 2 and 11 or for the construction, operation, or maintenance of any such  
239 facilities and equipment as may be necessary or desirable in connection therewith.

240 9. To create and terminate a development board or other body to which shall be granted and  
241 assigned such powers and responsibilities with respect to a special service district as are delegated to it  
242 by ordinance adopted by the governing body of such locality or localities. Any such board or alternative  
243 body created shall be responsible for control and management of funds appropriated for its use by the  
244 governing body or bodies, and such funds may be used to employ or contract with, on such terms and

conditions as the board or other body shall determine, persons, municipal or other governmental entities or such other entities as the development board or alternative body deems necessary to accomplish the purposes for which the development board or alternative body has been created. If the district was created by court order, the ordinance creating the development board or alternative body may provide that the members appointed to the board or alternative body shall consist of a majority of the landowners who petitioned for the creation of the district, or their designees or nominees.

10. To negotiate and contract with any person or municipality with regard to the connections of any such system or systems with any other system or systems now in operation or hereafter established, and with regard to any other matter necessary and proper for the construction or operation and maintenance of any such system within the district.

11. To acquire by purchase, gift, devise, bequest, grant, or otherwise title to or any interests or rights of not less than five years' duration in real property that will provide a means for the preservation or provision of open-space land as provided for in the Open-Space Land Act (§ 10.1-1700 et seq.). Notwithstanding the provisions of subdivision 3, the governing body shall not use the power of condemnation to acquire any interest in land for the purposes of this subdivision.

12. To contract with any state agency or state or local authority for services within the power of the agency or authority related to the financing, construction, or operation of the facilities and services to be provided within the district; however, nothing in this subdivision shall authorize a locality to obligate its general tax revenues, or to pledge its full faith and credit.

13. In the Town of Front Royal, to construct, maintain, and operate facilities, equipment, and programs as may be necessary or desirable to control, eradicate, and prevent the infestation of rats and removal of skunks and the conditions that harbor them.

*§ 15.2-2403.1. Creation of urban transportation service districts.*

*A. The boundaries of any urban transportation service district created pursuant to this article shall be agreed upon by both the local governing body of an urban county and by the Virginia Department of Transportation. The overall density of an urban transportation service district shall be one residential unit per acre or greater. Any disagreement over such boundaries shall be mediated by and, if necessary, decided by the Commission on Local Government. For purposes of this section, an "urban county" means any county with a population of greater than 90,000 that did not maintain its roads as of January 1, 2007.*

*B. Any urban county that has established an urban transportation service district in accordance with this section shall receive an amount equal to the per lane mile maintenance payments made to cities and certain towns pursuant to § 33.1-41.1 for the area within the district for purposes of road maintenance. In addition, such locality shall receive an amount equal to the difference between the maintenance payments made to cities and certain towns pursuant to § 33.1-41.1 and what VDOT would be spending within the service district if not for the creation of such district. Such money may be spent by the locality on any transportation need, including new construction.*

*C. In any instance in which a locality has taken over road maintenance within an urban transportation service district pursuant to this section, VDOT shall transfer the surplus equipment that is no longer needed for such road maintenance from VDOT to the locality. In addition, such locality shall receive a \$10,000 payment from the Commonwealth for each displaced VDOT employee who is hired by the locality. Each displaced VDOT employee who is hired by the locality shall also receive a \$10,000 payment from the Commonwealth upon completion of one year's service with the locality.*

*§ 15.2-4831. Counties and cities embraced by the Authority.*

The Authority shall embrace the Counties of Arlington, Fairfax, Loudoun, and Prince William, and the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park; *provided, however, that any time any such county or city is not imposing all of the taxes and fees authorized pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, and 58.1-3221.2, then, during such period of time, such county or city shall not be entitled to determine transportation projects and services to be funded with the revenue generated by such taxes and fees and shall not receive allocation of such revenue.*

*§ 15.2-4838.1. Use of certain revenues by the Authority.*

*All moneys received by the Authority and the proceeds of bonds issued pursuant to § 15.2-4839 shall be used by the Authority solely for the benefit of those counties and cities that are imposing the fees pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, and 58.1-3221.2.*

*Notwithstanding any other provision of this chapter, the revenues received by the Authority pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, and 58.1-3221.2 and the proceeds of bonds issued pursuant to § 15.2-4839 shall be used first to pay any debt service owing on any bonds issued pursuant to § 15.2-4839, and then as follows:*

*A. The next \$50 million each year shall be distributed to the Washington Metropolitan Area Transit Authority (WMATA) and shall be used for capital improvements in Virginia for WMATA's transit service*

306 (Metro). The Authority shall make such annual distribution from such revenues only if the County of  
307 Arlington and the City of Alexandria are imposing the fees pursuant to subsection B of § 46.2-332, and  
308 §§ 58.1-802.1, 58.1-2402.1, and 58.1-3221.2. The Authority shall first make use of that portion of such  
309 annual distribution as may be necessary under the requirements of federal law for the payment of  
310 federal funds to WMATA, but only if the matching federal funds are exclusive of and in addition to the  
311 amount of other federal funds appropriated to the Commonwealth for transportation and such other  
312 federal funds are in an amount not less than the amount of such funds appropriated to the  
313 Commonwealth in the fiscal year ending June 30, 2007

314 For each year after 2018 the amount distributed pursuant to this subsection shall be used for the  
315 expansion of Metro or other rail service into Prince William County, but only if Prince William County  
316 is imposing the fees pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, and  
317 58.1-3221.2;

318 B. The next \$30 million each fiscal year shall be distributed to the Virginia Railway Express for  
319 capital improvements, including but not limited to track lease payments, construction of parking,  
320 dedicated rail on the Fredericksburg line, rolling stock, expanded service in Prince William County, and  
321 service as may be needed as a result of the Base Realignment and Closure Commission regarding Fort  
322 Belvoir. The Authority shall make such annual distribution from such revenues only if Prince William  
323 County is imposing the fees pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, and  
324 58.1-3221.2;

325 C. The next \$27 million each fiscal year shall be distributed as follows: \$10.5 million to the Route  
326 28 Highway Transportation Improvement District Commission and \$16.5 million to the Phase I Dulles  
327 rail Transportation Improvement District Commission to be used solely by each Commission to reduce  
328 for the next tax year the special improvement tax rate previously established as provided in § 15.2-4607  
329 by an amount, when rounded down to the nearest one tenth of one percent per \$100 of value, if levied  
330 and collected in the improvement district within its jurisdiction, such that the tax rate reduction would  
331 offset the distribution received from the Fund.

332 D. Beginning at the time phase two of the Dulles Rail project begins construction, at least \$20  
333 million shall be dedicated annually for the Dulles Rail project; -

334 E. At least 45 percent of the revenues from such sources remaining after the distributions under  
335 subsections A, B, C, and D shall be distributed to the localities imposing the fees pursuant to subsection  
336 B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, and 58.1-3221.2 on a pro rata basis, with each  
337 locality's share being the total of such fees and taxes received by the Authority that are generated or  
338 attributable to the locality divided by the total of such fees and taxes received by the Authority. Of the  
339 revenues distributed pursuant to this subsection (i) in the Cities of Falls Church and Alexandria and the  
340 County of Arlington the first 50 percent shall be used solely for urban and secondary road construction  
341 and improvements or for public transportation purposes in consultation with members of the General  
342 Assembly representing any locality which receives such revenue, (ii) and in the remaining localities, the  
343 first 50 percent shall be used solely for urban and secondary road construction and improvements in  
344 consultation with members of the General Assembly representing any locality which receives such  
345 revenue. The remainder, as determined solely by the applicable locality, shall be used either for  
346 additional urban and secondary road construction; for other transportation capital improvements which  
347 have been approved by the most recent long range transportation plan adopted by the Authority; or for  
348 public transit purposes. None of the revenue distributed by this subsection may be used to repay debt  
349 issued before January 1, 2008. Each locality shall provide annually to the Northern Virginia  
350 Transportation Authority sufficient documentation as required by the Authority showing that the funds  
351 distributed under this subsection were used as required by this subsection. The funds under this  
352 subsection shall be conditioned on the following:

353 1. That urban road construction funded in whole or in part under this subsection be performed by  
354 cities pursuant to subsection D of § 33.1-23.3; and

355 2. That for any county imposing the fees pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1,  
356 58.1-2402.1, and 58.1-3221.2, all state secondary road construction funding due such county shall be  
357 transferred to such county, and the county shall assume full responsibility for planning and constructing  
358 secondary roads pursuant to § 33.1-75.3. Such county may contract with the Virginia Department of  
359 Transportation, or any other entity to aid in the planning and construction; and

360 F. Any remaining revenues from such sources shall be used by the Authority solely for transportation  
361 projects for the localities that are imposing the fees pursuant to subsection B of § 46.2-332, and  
362 §§ 58.1-802.1, 58.1-2402.1, and 58.1-3221.2, as determined by the Authority in consultation with  
363 members of the governing bodies of the localities that are imposing the fees pursuant to subsection B of  
364 § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, and 58.1-3221.2, and members of the General Assembly  
365 representing any locality imposing the fees pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1,  
366 58.1-2402.1, and 58.1-3221.2, or as may be required by any other law, solely for transportation projects  
367 for the localities that are imposing the fees pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1,

58.1-2402.1, and 58.1-3221.2. All transportation projects undertaken by the Northern Virginia Transportation Authority shall be completed by private contractors accompanied by performance measurement standards, and all contracts shall contain a provision granting the locality the option to terminate the contract if contractors do not meet such standards. Notwithstanding the foregoing, any locality may provide engineering services or right-of-way acquisition for any project with its own forces. The Authority shall avail itself of the strategies permitted under the Public-Private Transportation Act (§ 56-556 et seq.) whenever feasible and advantageous. The Authority is independent of any state or local entity, including the Virginia Department of Transportation (VDOT) and the Commonwealth Transportation Board (CTB), but the Authority, VDOT and CTB shall consult with one another to avoid duplication of efforts and, at the option of the Authority, may combine efforts to complete specific projects. Notwithstanding the foregoing, at the request of the Authority, VDOT may provide the Authority with engineering services or right-of-way acquisition for the project with its own forces. When determining what projects to construct under this subsection, the Authority shall base its decisions on the combination that (i) equitably distributes the funds throughout the participating localities and (ii) constructs projects that move the most people or commercial traffic in the most cost-effective manner, and on such other factors as approved by the Authority.

§ 15.2-4839. Authority to issue bonds.

The Authority may issue bonds and other evidences of debt as may be authorized by this section or other law. The provisions of Article 5 (§ 15.2-4519 et seq.) of Chapter 45 of this title shall apply, mutatis mutandis, to the issuance of such bonds or other debt. The Authority may issue bonds or other debt in such amounts as it deems appropriate. The bonds may be supported by any funds available including those from tolls imposed and collected as authorized under § 15.2-4840.

§ 15.2-4840. Other duties and responsibilities of Authority.

In addition to other powers herein granted, the Authority shall have the following duties and responsibilities:

1. General oversight of regional programs involving mass transit or congestion mitigation, including, but not necessarily limited to, carpooling, vanpooling, and ridesharing;

2. Long-range regional planning, both financially constrained and unconstrained;

3. Recommending to state, regional, and federal agencies regional transportation priorities, including public-private transportation projects, and funding allocations;

4. Developing, in coordination with affected counties and cities, regional priorities and policies to improve air quality;

5. Allocating to priority regional transportation projects any funds made available to the Authority and, at the discretion of the Authority, directly overseeing such projects;

6. Recommending to the Commonwealth Transportation Board priority regional transportation projects for receipt of federal and state funds;

7. ~~Recommending to the Commonwealth Transportation Board use and/or changes in use of~~ Imposing, collecting, and setting the amount of tolls for use of facilities in the area embraced by the Authority, when the facility is either newly constructed or reconstructed in such a way as to increase the facility's traffic capacity, with the amount of any tolls variable by time of day, day of the week, vehicle size or type, number of axles, or other factors as the Authority may deem proper, and with all tolls to be used exclusively in connection with the facility for whose use they are collected;

8. General oversight of regional transportation issues of a multijurisdictional nature, including but not limited to intelligent transportation systems, signalization, and preparation for and response to emergencies;

9. Serving as an advocate for the transportation needs of Northern Virginia before the state and federal governments;

10. Applying to and negotiating with the government of the United States, the Commonwealth of Virginia, or any agency or instrumentality, or political subdivision thereof, for grants and any other funds available to carry out the purposes of this chapter and receiving, holding, accepting, and administering from any source gifts, bequests, grants, aid, or contributions of money, property, labor, or other things of value to be held, used and applied to carry out the purposes of this chapter subject, however, to any conditions upon which gifts, bequests, grants, aid, or contributions are made. Unless otherwise restricted by the terms of the gift, bequest, or grant, the Authority may sell, exchange, or otherwise dispose of such money, securities, or other property given or bequeathed to it in furtherance of its purposes; and

11. Acting as a "responsible public entity" for the purpose of the acquisition, construction, improvement, maintenance and/or operation of a "qualifying transportation facility" under the Public-Private Transportation Act of 1995 (§ 56-556 et seq.).

#### CHAPTER 42.

#### JOINT COMMISSION ON TRANSPORTATION ACCOUNTABILITY.



§ 30-278. *Joint Commission on Transportation Accountability established; composition; terms; compensation and expenses; office space; quorum; voting on recommendations.*

There is hereby established in the legislative branch of state government the Joint Commission on Transportation Accountability. The Commission shall consist of six members of the House of Delegates appointed by the Speaker of the House of Delegates, of whom at least three shall be members of the House Committee on Transportation; four members of the Senate appointed by the Senate Committee on Rules of whom at least two shall be members of the Senate Committee on Transportation; and the Auditor of Public Accounts, who shall serve as a nonvoting ex officio member. Members shall serve terms coincident with their terms of office as members of the House of Delegates and the Senate. Members may be reappointed for successive terms.

Members of the Commission shall receive such compensation as provided in § 30-19.12 and shall be reimbursed for all their reasonable and necessary expenses incurred in the performance of their duties as members of the Commission. Funding for the costs of compensation and expenses of the members shall be provided from existing appropriations to the Commission. Adequate office space shall be provided by the Commonwealth.

The Commission shall annually elect a chairman and a vice-chairman from among its membership. Meetings of the Commission shall be held upon the call of the chairman or whenever the majority of the members so request. A majority of the members appointed to the Commission shall constitute a quorum.

§ 30-279. *Director, executive staff, and personnel.*

The Commission shall appoint, subject to confirmation by a majority of the members of the General Assembly, a Director and fix his duties and compensation. The Director may, with prior approval of the Commission, employ and fix the duties and compensation of an adequate staff as may be requisite to make the studies and conduct the research and budget analyses required by this chapter. The Director and the executive staff shall be appointed for a term of six years and shall consist of professional persons having experience and training in legislative budgetary procedures, management analyses, and cost accounting. The Director and any executive staff member may be removed from office for cause by a majority vote of the Commission. Such other professional personnel, consultants, advisers, and secretarial and clerical employees may be engaged upon such terms and conditions as set forth by the Commission.

§ 30-280. *Powers and duties of Commission.*

The Commission shall have the following powers and duties:

1. To make performance reviews of operations of state agencies with transportation responsibilities to ascertain that sums appropriated have been or are being expended for the purposes for which they were made and to evaluate the effectiveness of programs in accomplishing legislative intent;

2. To study, on a continuing basis, the operations, practices, and duties of state agencies with transportation responsibilities as they relate to efficiency in the use of space, personnel, equipment, and facilities;

3. To retain such consultants and advisers as the Commission deems necessary to evaluate financial and project management of state agencies with transportation responsibilities; and

4. To make such special studies of and reports on the operations and functions of state agencies with transportation responsibilities as it deems appropriate and as may be requested by the General Assembly.

§ 30-281. *State agencies to furnish information and assistance.*

All agencies of the Commonwealth, their staff, and employees shall provide the Commission with necessary information for the performance of its duties and afford the Commission's staff ample opportunity to observe agency operations.

§ 30-282. *Payment of expenses of Commission.*

The salaries, per diems, and other expenses necessary to the function of the Commission shall be payable from funds appropriated to the Commission.

§ 30-283. *Access to information.*

For the purpose of carrying out its duties under this chapter and notwithstanding any contrary provision of law, the Joint Commission on Transportation Accountability shall have access to the records and facilities of every agency whose operations are financed in whole or in part by state funds to the extent that such records and facilities are related to the expenditure of such funds. All such agencies shall cooperate with the Commission and, when requested, shall provide specific information in the form requested.

§ 33.1-1. *State Highway and Transportation Board continued as Commonwealth Transportation Board; number and terms of members; removal from office; vacancies.*

The State Highway and Transportation Board, formerly known as the State Highway and Transportation Commission, is continued and shall hereafter be known as the Commonwealth Transportation Board. Wherever either "Commission" or "Board" is used in this title referring to the State Highway and Transportation Board or the State Highway and Transportation Commission, it shall



mean the Commonwealth Transportation Board.

The Board shall consist of seventeen members: the Secretary of Transportation, the Commonwealth Transportation Commissioner, the Director of the Department of Rail and Public Transportation, and fourteen citizen members. *The citizen Except for those members elected by the General Assembly as provided in § 33.1-2, members shall be (i) appointed by the Governor as provided in § 33.1-2, (ii) subject to confirmation by the General Assembly, and (iii) removable from office during their respective terms by the Governor at his pleasure. Appointments of citizen members shall be for terms of four years commencing upon July 1, upon the expiration of the terms of the existing members, respectively. The initial terms of the members appointed in January, 1987, shall commence when appointed and shall be for terms ending June 30, 1988, June 30, 1989, and June 30, 1990, respectively. Vacancies shall be filled by appointment by the Governor for those members appointed by the Governor and by election by the Joint Committee on Rules for those members elected by the General Assembly. All appointments or elections to fill vacancies shall be for the unexpired term and shall be effective until thirty days after the next meeting of the ensuing General Assembly and, if confirmed, thereafter for the remainder of the term. No person shall be eligible to serve more than two successive terms of four years, other than the Secretary of Transportation, the Commonwealth Transportation Commissioner, and the Director of the Department of Rail and Public Transportation. A person heretofore or hereafter appointed by the Governor or elected by the General Assembly to fill a vacancy may serve two additional successive terms.*

The Secretary of Transportation shall serve as Chairman of the Board. The Secretary shall have voting privileges only in the event of a tie. The Commonwealth Transportation Commissioner shall serve as Vice-Chairman of the Board. The Commissioner shall have voting privileges only in the event of a tie when he is presiding during the absence of the Chairman. The Director of the Department of Rail and Public Transportation shall serve without a vote.

Whenever in this title and in the Code of Virginia "State Highway Commission" or "State Highway and Transportation Board" is used, it shall mean "Commonwealth Transportation Board"; "State Highway Commissioner" or "State Highway and Transportation Commissioner" shall mean "Commonwealth Transportation Commissioner"; and all references to "Department of Highways and Transportation" shall refer to the Department of Transportation.

§ 33.1-2. Residence requirements; statewide interest.

Of such Board, one member shall be a resident of the territory now included in the Bristol construction district, one in the Salem construction district, one in the Lynchburg construction district, one in the Staunton construction district, one in the Culpeper construction district, one in the Fredericksburg construction district, one in the Richmond construction district, one in the Hampton Roads construction district and one in the Northern Virginia construction district. The remaining five members shall be appointed by a majority vote of the members present and voting in both houses of the General Assembly, and shall be from the Commonwealth at large, but at least two shall reside in standard metropolitan statistical areas and be designated as urban at-large members, and at least two shall reside outside standard metropolitan statistical areas and be designated as rural at-large members. The at-large members shall be appointed to represent rural and urban transportation needs and be mindful of the concerns of seaports and seaport users, airports and airport users, railways and railway users, and mass transit and mass transit users. Each member so appointed shall be mindful of the best interest of the Commonwealth at large primarily instead of those of the district from which chosen or of the transportation interest represented.

*Board members elected by the General Assembly shall not be removable by the Governor but may be removed from office only by a majority vote of the members present and voting in both houses of the General Assembly.*

§ 33.1-3. Secretary to be Chairman; Commonwealth Transportation Commissioner.

The Chairman, ~~whose official title of the Commonwealth Transportation Board shall be the Secretary of Transportation, and who~~

*The Commonwealth Transportation Commissioner shall be the chief executive officer of the Department of Transportation. The Commissioner shall be elected by and serve at the pleasure of the Commonwealth Transportation Board for a term of four years, subject to the consent of the Governor. The Commissioner may, at the time of his appointment, be a nonresident of Virginia, shall be an experienced administrator, able to direct and guide the Department in the establishment and achievement of the Commonwealth's long-range highway and other transportation objectives and shall be appointed at large.*

The Commonwealth Transportation Commissioner, hereinafter in this title sometimes called "the Commissioner," shall devote his entire time and attention to his duties as chief executive officer of the Department and shall receive such compensation as shall be fixed by the Governor, subject to the approval of the determined by the Commonwealth Transportation Board, unless such salary be fixed by

the General Assembly in the appropriation act. He shall also be reimbursed for his actual travel expenses while engaged in the discharge of his duties.

In the event of a vacancy due to the death, temporary disability, retirement, resignation or removal of the Commissioner, the Governor may appoint and thereafter remove at his pleasure an "Acting Commonwealth Transportation Commissioner" until such time as the vacancy may be filled as provided in § 33.1-14 by the Commonwealth Transportation Board. Such "Acting Commonwealth Transportation Commissioner" shall have all powers and perform all duties of the Commissioner as provided by law, and shall receive such compensation as may be fixed by the Governor. In the event of the temporary disability, for any reason, of the Commissioner, full effect shall be given to the provisions of § 2.2-605.

§ 33.1-13. General powers of Commissioner.

Except such powers as are conferred by law upon the Commonwealth Transportation Board, the Commonwealth Transportation Commissioner shall have the power to do all acts necessary or convenient for constructing, improving and maintaining the roads embraced in the systems of state highways and to further the interests of the Commonwealth in the areas of public transportation, railways, seaports, and airports. And as executive head of the Transportation Department, the Commissioner is specifically charged with the duty of executing all orders and decisions of the Board and he may, subject to the provisions of this chapter, require that all appointees and employees perform their duties under this chapter.

*In addition, the Commissioner, in order to maximize efficiency, shall take such steps as may be appropriate to outsource or privatize any of the Department's functions that might reasonably be provided by the private sector.*

§ 33.1-19.1. Environmental permits for highway projects; timely review.

Notwithstanding any other provision of state law or regulation, any state agency, board, or commission that issues a permit required for a highway construction project pursuant to Title 10.1, 28.2, 29.1, or 62.1 of the Code of Virginia shall, within 15 days of receipt of an individual or general permit application, review the application for completeness and either accept the application or request additional specific information from the Department of Transportation. Unless a shorter period is provided by law, regulation, or agreement, the state agency, board, or commission shall within 420 30 days of receipt of a complete application issue the permit, issue the permit with conditions, deny the permit, or decide whether a public meeting or hearing is required by law. If a public meeting or hearing is held, it shall be held within 45 30 days of the decision to conduct such a proceeding and a final decision as to the permit shall be made within 90 30 days of completion of the public meeting or hearing.

§ 33.1-23.03. Board to develop and update Statewide Transportation Plan.

The Commonwealth Transportation Board shall conduct a comprehensive review of statewide transportation needs in a Statewide Transportation Plan setting forth an inventory of all construction needs for all systems, and based upon this inventory, establishing goals, objectives, and priorities covering a twenty-year planning horizon, in accordance with federal transportation planning requirements. This plan shall embrace all modes of transportation and include technological initiatives. This Statewide Transportation Plan shall be updated as needed, but no less than once every five years. The plan will provide consideration of projects and policies affecting shall promote economic development and all transportation modes and promote economic development, intermodal connectivity, environmental quality, accessibility for people and freight, and transportation safety. The plan shall include quantifiable and achievable goals relating to congestion reduction and safety, transit and high-occupancy vehicle facility use, job-to-housing ratios, job and housing access to transit and pedestrian facilities, air quality, and vehicle miles traveled. The Board shall consider such goals in evaluating and selecting transportation improvement projects. Each such plan shall be summarized in a public document and made available to the general public upon presentation to the Governor and General Assembly.

It is the intent of the General Assembly that this plan assess transportation needs and assign priorities to projects on a statewide basis, avoiding the production of a plan which is an aggregation of local, district, regional, or modal plans.

§ 33.1-23.03:8. Priority Transportation Fund established.

A. There is hereby created in the state treasury a special nonreverting fund to be known as the Priority Transportation Fund, hereafter referred to as "the Fund." The Fund shall be established on the books of the Comptroller. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. All funds as may be designated in the appropriation act for deposit to the Fund shall be paid into the state treasury and credited to the Fund. Such funds shall include:

1. A portion of the moneys actually collected, including penalty and interest, attributable to any increase in revenues from the taxes imposed under Chapter 22 (§ 58.1-2200 et seq.) of Title 58.1, with such increase being calculated as the difference between such tax revenues collected in the manner prescribed under Chapter 22 less such tax revenues that would have been collected using the prescribed

manner in effect before the effective date of Chapter 22. The portion to be deposited to the Fund shall be the moneys actually collected from such increase in revenues (*but not including additional revenues described in subsection F of § 58.1-2289*) and allocated for highway and mass transit improvement projects as set forth in § 33.1-23.03:2, but not including any amounts that are allocated to the Commonwealth Port Fund and the Commonwealth Airport Fund under such section. There shall also be deposited into the Fund all additional federal revenues attributable to Chapter 22 (§ 58.1-2200 et seq.) of Title 58.1; and

2. Beginning with the fiscal year ending June 30, 2000, and for fiscal years thereafter, all revenues that exceed the official forecast, pursuant to § 2.2-1503, for (i) the Highway Maintenance and Operating Fund and (ii) the allocation to highway and mass transit improvement projects as set forth in § 33.1-23.03:2, but not including any amounts that are allocated to the Commonwealth Port Fund and the Commonwealth Airport Fund under such section; and

3. Any other such funds as may be transferred, allocated, or appropriated.

The Fund shall be considered a part of the Transportation Trust Fund. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes enumerated in subsection B of this section. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller.

B. The Commonwealth Transportation Board shall use the Fund to facilitate the financing of priority transportation projects throughout the Commonwealth. The Board may use the Fund either (i) by expending amounts therein on such projects directly, (ii) by payment to any authority, locality, commission or other entity for the purpose of paying the costs thereof, or (iii) by using such amounts to support, secure, or leverage financing for such projects. No expenditures from or other use of amounts in the Fund shall be considered in allocating highway maintenance and construction funds under § 33.1-23.1 or apportioning Transportation Trust Fund funds under § 58.1-638, but shall be in addition thereto. The Board shall use the Fund to facilitate the financing of priority transportation projects as designated by the General Assembly; provided, however, that, at the discretion of the Commonwealth Transportation Board, funds allocated to projects within a transportation district may be allocated among projects within the same transportation district as needed to meet construction cash-flow needs.

§ 33.1-23.03:10. *All the funds becoming part of the Transportation Trust Fund pursuant to §§ 46.2-206.1, 46.2-702.1, 46.2-1135, and 58.1-2289 shall be distributed and used pursuant to the allocation formula set forth under § 33.1-23.03:2 for (a) the Commonwealth Port Fund; (b) the Commonwealth Airport Fund; (c) the Commonwealth Mass Transit Fund; and (d) capital improvements including construction, reconstruction, maintenance, and improvements of highways according to the provisions of subsection B of § 33.1-23.1*

§ 33.1-23.4:01. *Allocation of Commonwealth of Virginia Transportation Capital Projects Revenue Bonds.*

*The Commonwealth Transportation Board shall allocate and distribute the proceeds of any bonds it is authorized to issue supported in whole or in part by the Commonwealth Transportation Capital Projects Debt Service Fund as follows: (i) 15.7 percent shall be deposited into the Commonwealth Mass Transit Fund and used exclusively pursuant to the provisions of subdivision A4 of § 58.1-638, and (ii) the remainder shall be allocated and distributed pursuant to subdivision 4 f of § 33.1-269 first pursuant to the provisions of § 33.1-23.1:2 and then under the provisions of § 33.1-23.1 B. 1, B. 2. and B. 3. The provisions of § 33.1-23.2 shall not apply to the allocation of these proceeds. However, at its discretion, the Commonwealth Transportation Board is authorized to dedicate in any given year in which debt is issued an amount not to exceed its federal apportionment from the Interstate maintenance program for projects included in the Virginia Department of Transportation Six Year Improvement Program, which amount shall be allocated prior to the other allocations under this section.*

§ 33.1-67. Secondary system of highways.

A. The secondary system of state highways shall consist of all of the public roads, causeways, bridges, landings and wharves in the several counties of the Commonwealth not included in the State Highway System, including such roads and community roads leading to and from public school buildings, streets, causeways, bridges, landings and wharves in incorporated towns having 3,500 inhabitants or less according to the census of 1920, and in all towns having such a population incorporated since 1920, as constitute connecting links between roads in the secondary system in the several counties and between roads in the secondary system and roads in the primary system of the state highways, not, however, to exceed two miles in any one town. If in any such town, which is partly surrounded by water, less than two miles of the roads and streets therein constitute parts of the secondary system of state highways, the Commonwealth Transportation Board shall, upon the adoption of a resolution by the council or other governing body of such town designating for inclusion in the secondary system of state highways certain roads and streets in such town not to exceed a distance of

two miles, less the length of such roads and streets in such town which constitute parts of the secondary system of state highways, accept and place in the secondary system of state highways such additional roads and streets.

*B. Notwithstanding the foregoing provisions of this section, any local ordinance, or any provision of Title 15.2, on and after July 1, 2007, no street or road or any portion thereof in any county shall be taken into the state secondary highway system for maintenance purposes unless it is designated by the Department as a local collector or higher roadway classification. Other roads that, prior to July 1, 2007, would have been taken into the state secondary highway system shall be classified by the Department as local subdivision roads and shall not be taken into the state secondary highway system. A local subdivision road shall be any road, according to the Department, that primarily serves residents living within a subdivision. These local subdivision roads shall be maintained either by the county wherein they are located or, if they are within an area comprising a homeowners association, by the homeowners association. This subsection shall not apply to any roads within an urban development area as authorized under Title 15.2.*

§ 33.1-69. Control, supervision and management.

A. The control, supervision, management and jurisdiction over the secondary system of state highways shall be vested in the Department of Transportation and the maintenance and improvement, including construction and reconstruction, of such secondary system of state highways shall be by the Commonwealth under the supervision of the Commonwealth Transportation Commissioner. The boards of supervisors or other governing bodies of the several counties and the county road board or county road commission of any county operating under a county road board or county road commission shall have no control, supervision, management and jurisdiction over such public roads, causeways, bridges, landings and wharves, constituting the secondary system of state highways. Except as otherwise provided in this article, the Commonwealth Transportation Board shall be vested with the same powers, control and jurisdiction over the secondary system of state highways in the several counties and towns of the Commonwealth, and such additions as may be made from time to time, as were vested in the boards of supervisors or other governing bodies of the several counties or in the county road board or county road commission in any county operating under a county road board or county road commission on June 21, 1932, and in addition thereto shall be vested with the same power, authority and control as to the secondary system of state highways as is vested in the Board in connection with the State Highway System.

*B. Notwithstanding the foregoing provisions of this section, the Department's control, supervision, management, and jurisdiction over the secondary system of state highways shall not extend, on and after July 1, 2007, to any road classified by the Department as a local subdivision road, and no road classified as a local subdivision road shall thereafter be taken into the state secondary highway system. These local subdivision roads shall be controlled, supervised, and managed either by the county wherein they are located or, if they are within an area comprising a homeowners association, by the homeowners association. This subsection shall not apply to any roads within an urban development area as authorized under Title 15.2.*

§ 33.1-72.1. Taking certain streets into secondary system.

A. "Street," as used in this section, means a street or highway shown on a plat which was recorded or otherwise opened to public use prior to July 1, 1992, at which time it was open to and used by motor vehicles, and which, for any reason, has not been taken into the secondary system of state highways and serves at least three families per mile.

B. "County," as used in this section, means a county in which the secondary system of the state highways is constructed and maintained by the Department of Transportation and which has adopted a local ordinance for control of the development of subdivision streets to the necessary standards for acceptance into the secondary system.

C. "Speculative interest," as used in this section, means that the original developer or a successor developer retains ownership in any lot abutting such street for development or speculative purposes. In instances where it is determined that speculative interest is retained by the original developer, developers, or successor developers and the governing body of the county deems that extenuating circumstances exist, the governing body of the county shall require a pro rata participation by such original developer, developers, or successor developers as prescribed in subsection G of this section as a condition of the county's recommendation pursuant to this section.

D. "Qualifying rural addition cost," as used in this section, means that portion of the estimated engineering and construction cost to improve the street to the minimum standards for acceptance remaining after reducing the total estimated cost by any prorated amount deemed the responsibility of others based on speculative interests as defined in subsection C.

E. Whenever the governing body of a county recommends in writing to the Department of Transportation that any street in the county be taken into and become a part of the secondary system of the state highways in such county, the Department of Transportation thereupon, within the limit of

available funds and the mileage available in such county for the inclusion of roads and streets in the secondary system, shall take such street into the secondary system of state highways for maintenance, improvement, construction and reconstruction if such street, at the time of such recommendation, either: (i) has a minimum dedicated width of 40 feet or (ii) in the event of extenuating circumstances as determined by the Commonwealth Transportation Commissioner, such street has a minimum dedicated width of 30 feet at the time of such recommendation. In either case such streets must have easements appurtenant thereto which conform to the policy of the Commonwealth Transportation Board with respect to drainage. After the streets are taken into the secondary system of state highways, the Department shall maintain the same in the manner provided by law.

F. Such street shall only be taken into the secondary system of state highways if the governing body of the county has identified and made available the funds required to improve the street to the required minimum standards. The county may consider the following options to fund the required improvements for streets accepted under this section:

1. The local governing body of the county may use a portion of the county's annual secondary highway system construction allocation designated as "rural addition funds" to fund the qualifying rural addition costs for qualifying streets if the county agrees to contribute from county revenue or the special assessment of the landowners on the street in question one-half of the qualifying rural addition cost to bring the streets up to the necessary minimum standards for acceptance. No such special assessment of landowners on such streets shall be made unless the governing body of the county receives written declarations from the owners of 75 percent or more of the platted parcels of land abutting upon such street stating their acquiescence in such assessments. The basis for such special assessments, at the option of the local governing body, shall be either (i) the proportion the value of each abutting parcel bears to total value of all abutting parcels on such street as determined by the current evaluation of the property for real estate tax purposes, or (ii) the proportion the abutting road front footage of each parcel abutting the street bears to the total abutting road front footage of all parcels abutting on the street, or (iii) an equal amount for each parcel abutting on such street. No such special assessment on any parcel shall exceed one-third of the current evaluation of such property for real estate tax purposes. Special assessments under this section shall be conducted in the manner provided in Article 2 (§ 15.2-2404 et seq.) of Chapter 24 of Title 15.2, mutatis mutandis, for assessments for local improvements.

2. The local governing body of any county may use a portion of its annual secondary highway system construction allocation designated as "rural addition funds" to fund the qualifying rural addition cost for qualifying streets within the limitation of funds and the mileage limitation of the Commonwealth Transportation Board's policy on rural additions.

3. The local governing body of any county may use revenues derived from the sale of bonds to finance the construction of rural additions to the secondary system of such county. In addition, from the funds allocated by the Commonwealth for the construction of secondary road improvements, such governing body may use funds allocated within the Commonwealth Transportation Board policy for the construction of rural additions to pay principal and interest on bonds associated with rural additions in such county, provided the revenue derived from the sale of such bonds is not used as the county matching contribution under § 33.1-23.05. The provisions of this section shall not constitute a debt or obligation of the Commonwealth Transportation Board or the Commonwealth of Virginia.

4. The local governing body of the county may expend general county revenue for the purposes of this section.

5. The local governing body of the county may permit one or more of the landowners on the street in question to pay to the county a sum equal to one-half of the qualifying rural addition cost to bring the street up to the necessary minimum standards for acceptance into the secondary system of state highways, which funds the county shall then utilize for such purpose. Thereafter, upon collection of the special assessment of landowners on such street, the county shall use such special assessment funds to reimburse, without interest, the one or more landowners for those funds which they previously advanced to the count to bring the street up to the necessary minimum standards for acceptance.

6. The local governing body of the county may utilize the allocations made to the county in accordance with § 33.1-23.05.

G. In instances where it is determined that speculative interest, as defined in subsection C, exists the basis for the pro rata percentage required of such developer, developers, or successor developers shall be the proportion that the value of the abutting parcels owned or partly owned by the developer, developers, or successor developers bears to the total value of all abutting property as determined by the current evaluation of the property for real estate purposes. The pro rata percentage shall be applied to the Department of Transportation's total estimated cost to construct such street to the necessary minimum standards for acceptance to determine the amount of costs to be borne by the developer, developers, or successor developers. Property so evaluated shall not be assessed in the special assessment for the determination of the individual pro rata share attributable to other properties. Further,

798 when such pro rata participation is accepted by the governing body of the county from such original  
799 developer, developers, or successor developers, such amount shall be deducted from the Department of  
800 Transportation's total estimated cost and the remainder of such estimated cost, the qualifying rural  
801 addition cost, shall then be the basis of determining the assessment under the special assessment  
802 provision or determining the amount to be provided by the county when funded from general county  
803 revenue under subsection C of this section or determining the amount to be funded as a rural addition  
804 under subsection D of this section.

805 H. Acceptance of any street into the secondary system of state highways for maintenance,  
806 improvement, construction, and reconstruction shall not impose any obligation on the Board to acquire  
807 any additional right-of-way or easements should they be necessary by virtue of faulty construction or  
808 design.

809 I. "Rural addition funds" means those funds reserved from the county's annual allocation of  
810 secondary system highway construction funds, as defined in § 33.1-67, for the purpose of this section. If  
811 such funds are not used by such county for such purpose during the fiscal year they are so allocated, the  
812 funds may be held for such purpose for the four succeeding fiscal years. A maximum of five percent of  
813 the annual secondary system highway construction allocation may be reserved by the governing body for  
814 rural additions.

815 J. *Notwithstanding the foregoing provisions of this section, any local ordinance, or any provision of*  
816 *Title 15.2, on and after July 1, 2007, no street or road or any portion thereof in any county shall be*  
817 *taken into the state secondary highway system for maintenance purposes unless it is classified by the*  
818 *Department as a local collector road. Any road that, prior to July 1, 2007, would have been taken into*  
819 *the state secondary highway system shall be classified by the Department as a local subdivision road*  
820 *and no road classified as a local subdivision road shall thereafter be taken into the state secondary*  
821 *highway system. This subsection shall not apply to any roads within an urban development area as*  
822 *authorized under Title 15.2.*

823 § 33.1-223.2:12. Tolls may vary to encourage travel during off-peak hours.

824 A. In order to provide an incentive for motorists to travel at off-peak hours, *and in accordance with*  
825 *federal requirements*, wherever a toll is imposed and collected by the Department or such other entity as  
826 may be responsible for imposing or collecting such toll, the amount of such toll may vary according to  
827 the time of day, day of the week, traffic volume, vehicle speed, vehicle type, ~~or any or all of these~~  
828 *similar variables, or combinations thereof.* The amount of such toll and the time of day when such toll  
829 shall change shall be as fixed and revised by the Commonwealth Transportation Board or such other  
830 entity as may be responsible for fixing or revising the amount of such toll; provided, however, that any  
831 such variation shall be reasonably calculated to minimize the reduction in toll revenue generated by such  
832 toll.

833 B. *1. Beginning July 1, 2008, every agency of the Commonwealth or any political subdivision or*  
834 *instrumentality thereof having control of or day-to-day responsibility for the operation of any toll facility*  
835 *in the Commonwealth shall take all necessary actions to ensure that every newly constructed toll facility*  
836 *or toll lane under its control is capable of fully automated electronic operation, employing technologies*  
837 *and procedures that permit the collection of tolls from users of the facility without requiring vehicles*  
838 *using the facility to reduce their speed below the speed of traffic approaching the facility. An entity*  
839 *operating a toll facility that substantially upgrades its equipment or substantially renovates its facility*  
840 *after July 1, 2008, shall comply with the provisions of this subsection. The provisions of this section*  
841 *shall also apply to any nongovernmental or quasigovernmental entity operating a toll facility under a*  
842 *comprehensive agreement entered into, pursuant to the Public-Private Transportation Act of 1995*  
843 *(§ 56-556 et seq.), on or after January 1, 2008. Nothing in this subsection shall be construed to prohibit*  
844 *a toll facility from retaining means of nonautomated toll collection in some lanes of the facility.*

845 *2. For toll facilities within the territory embraced by the Northern Virginia Transportation Authority,*  
846 *the provisions of subdivision 1 apply to all toll facilities, regardless of whether or not they are newly*  
847 *constructed or substantially upgraded.*

848 § 33.1-268. Definitions.

849 As used in this article, the following words and terms shall have the following meanings:

850 (1) The word "Board" means the Commonwealth Transportation Board, or if the Commonwealth  
851 Transportation Board is abolished, any board, commission or officer succeeding to the principal  
852 functions thereof or upon whom the powers given by this article to the Board shall be given by law.

853 (2) The word "project" or "projects" means any one or more of the following:

854 (a) York River Bridges, extending from a point within the Town of Yorktown in York County, or  
855 within York County across the York River to Gloucester Point or some point in Gloucester County.

856 (b) Rappahannock River Bridge, extending from Greys Point, or its vicinity, in Middlesex County,  
857 across the Rappahannock River to a point in the vicinity of White Stone, in Lancaster County, or at  
858 some other feasible point in the general vicinity of the two respective points.

859 (c), (d) [Reserved.]

(e) James River Bridge, from a point at or near Jamestown, in James City County, across the James River to a point in Surry County.

(f), (g) [Reserved.]

(h) James River, Chuckatuck and Nansemond River Bridges, together with necessary connecting roads, in the Cities of Newport News and Suffolk and the County of Isle of Wight.

(i) [Reserved.]

(j) Hampton Roads Bridge, Tunnel, or Bridge and Tunnel System, extending from a point or points in the Cities of Newport News and Hampton on the northwest shore of Hampton Roads across Hampton Roads to a point or points in the City of Norfolk or Suffolk on the southeast shore of Hampton Roads.

(k) The Norfolk-Virginia Beach Highway, extending from a point in the vicinity of the intersection of Interstate Route 64 and Primary Route 58 at Norfolk to some feasible point between London Bridge and Primary Route 60.

(l) The Henrico-James River Bridge, extending from a point on the eastern shore of the James River in Henrico County to a point on the western shore, between Falling Creek and Bells Road interchanges of the Richmond-Petersburg Turnpike; however, the project shall be deemed to include all property, rights, easements and franchises relating to any of the foregoing projects and deemed necessary or convenient for the operation thereof and to include approaches thereto.

(m) The limited access highway between the Patrick Henry Airport area and the Newport News downtown area which generally runs parallel to tracks of the Chesapeake and Ohio Railroad.

(n) Transportation improvements in the Dulles Corridor, with an eastern terminus of the East Falls Church Metrorail station at Interstate Route 66 and a western terminus of Virginia Route 772 in Loudoun County, including without limitation the Dulles Toll Road, the Dulles Access Road, outer roadways adjacent or parallel thereto, mass transit, including rail, bus rapid transit, and capacity enhancing treatments such as High-Occupancy Vehicle lanes, High-Occupancy Toll (HOT) lanes, interchange improvements, commuter parking lots, and other transportation management strategies.

(o), (p) [Repealed.]

(q) Subject to the limitations and approvals of § 33.1-279.1, any other highway for a primary highway transportation improvement district or transportation service district which the Board has agreed to finance under a contract with any such district or any other alternative mechanism for generation of local revenues for specific funding of a project satisfactory to the Commonwealth Transportation Board, the financing for which is to be secured by Transportation Trust Fund revenues under any appropriation made by the General Assembly for that purpose and payable first from revenues received under such contract or other local funding source, second, to the extent required, from funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the highway construction district in which the project is located or to the county or counties in which the project is located and third, to the extent required from other legally available revenues of the Trust Fund and from any other available source of funds.

(r) U.S. 58 Corridor Development Program projects as defined in §§ 33.1-221.1:2 and 58.1-815.

(s) The Northern Virginia Transportation District Program as defined in § 33.1-221.1:3.

(t) Any program for highways or mass transit or transportation facilities, endorsed by the local jurisdiction or jurisdictions affected, which agree that certain distributions of state recordation taxes will be dedicated and used for the payment of any bonds or other obligations, including interest thereon, the proceeds of which were used to pay the cost of the program. Any such program shall be referred to as a "Transportation Improvement Program."

(u) Any project designated from time to time by the General Assembly financed in whole or part through the issuance of Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes.

(v) *Any project authorized by the General Assembly financed in whole or in part by funds from the Commonwealth Transportation Capital Projects Debt Service Fund established pursuant to § 58.1-2532 or from the proceeds of bonds whose debt service is paid in whole or in part by funds from such Fund.*

(3) The word "undertaking" means all of the projects authorized to be acquired or constructed under this article.

(4) The word "improvements" means such repairs, replacements, additions and betterments of and to a project acquired by purchase or by condemnation as are deemed necessary to place it in a safe and efficient condition for the use of the public, if such repairs, replacements, additions and betterments are ordered prior to the sale of any bonds for the acquisition of such project.

(5) The term "cost of project" as applied to a project to be acquired by purchase or by condemnation, includes the purchase price or the amount of the award, cost of improvements, financing charges, interest during any period of disuse before completion of improvements, cost of traffic estimates and of engineering and legal expenses, plans, specifications and surveys, estimates of cost and of revenues, other expenses necessary or incident to determining the feasibility or practicability of the enterprises, administrative expenses and such other expenses as may be necessary or incident to the



921 financing herein authorized and the acquisition of the project and the placing of the project in operation.

922 (6) The term "cost of project" as applied to a project to be constructed, embraces the cost of  
923 construction, the cost of all lands, properties, rights, easements and franchises acquired which are  
924 deemed necessary for such construction, the cost of acquiring by purchase or condemnation any ferry  
925 which is deemed by the Board to be competitive with any bridge to be constructed, the cost of all  
926 machinery and equipment, financing charges, interest prior to and during construction and for one year  
927 after completion of construction, cost of traffic estimates and of engineering data, engineering and legal  
928 expenses, cost of plans, specifications and surveys, estimates of cost and of revenues, other expenses  
929 necessary or incident to determining the feasibility or practicability of the enterprise, administrative  
930 expense and such other expenses as may be necessary or incident to the financing herein authorized, the  
931 construction of the project, the placing of the project in operation and the condemnation of property  
932 necessary for such construction and operation.

933 (7) The word "owner" includes all individuals, incorporated companies, copartnerships, societies or  
934 associations having any title or interest in any property rights, easements or franchises authorized to be  
935 acquired by this article.

936 (8) [Repealed.]

937 (9) The words "revenue" and "revenues" include tolls and any other moneys received or pledged by  
938 the Board pursuant to this article, including, without limitation, legally available Transportation Trust  
939 Fund revenues and any federal highway reimbursements and any other federal highway assistance  
940 received from time to time by the Commonwealth.

941 (10) The terms "toll project" and "toll projects" mean projects financed in whole or in part through  
942 the issuance of revenue bonds which are secured by toll revenues generated by such project or projects.

943 § 33.1-269. General powers of Board.

944 The Commonwealth Transportation Board may, subject to the provisions of this article:

945 1. Acquire by purchase or by condemnation, construct, improve, operate and maintain any one or  
946 more of the projects mentioned and included in the undertaking defined in this article;

947 2. Issue revenue bonds of the Commonwealth, to be known and designated as "Commonwealth of  
948 Virginia Toll Revenue Bonds," payable from earnings and from any other available sources of funds, to  
949 pay the cost of such projects;

950 3. Subject to the limitations and approvals of § 33.1-279.1, issue revenue bonds of the  
951 Commonwealth to be known and designated as "Commonwealth of Virginia Transportation Contract  
952 Revenue Bonds," secured by Transportation Trust Fund revenues under a payment agreement between  
953 the Board and the Treasury Board, subject to their appropriation by the General Assembly and payable  
954 first from revenues received pursuant to contracts with a primary highway transportation improvement  
955 district or transportation service district or other local revenue sources for which specific funding of any  
956 such bonds may be authorized by law; second, to the extent required, from funds appropriated and  
957 allocated, pursuant to the highway allocation formula as provided by law, to the highway construction  
958 district in which the project or projects to be financed are located or to the county or counties in which  
959 the project or projects to be financed are located; and third, to the extent required, from other legally  
960 available revenues of the Trust Fund and from any other available source of funds;

961 4. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of  
962 Virginia Transportation Revenue Bonds," secured (i) by revenues received from the U.S. Route 58  
963 Corridor Development Fund, subject to their appropriation by the General Assembly, (ii) to the extent  
964 required, from revenues legally available from the Transportation Trust Fund and (iii) to the extent  
965 required, from any other legally available funds which have been appropriated by the General Assembly;

966 4a. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of  
967 Virginia Transportation Revenue Bonds," secured, subject to their appropriation by the General  
968 Assembly, first from (i) revenues received from the Northern Virginia Transportation District Fund, (ii)  
969 to the extent required, funds appropriated and allocated, pursuant to the highway allocation formula as  
970 provided by law, to the highway construction district in which the project or projects to be financed are  
971 located or to the city or county in which the project or projects to be financed are located, (iii) to the  
972 extent required, legally available revenues of the Transportation Trust Fund, and (iv) such other funds  
973 which may be appropriated by the General Assembly;

974 4b. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of  
975 Virginia Transportation Program Revenue Bonds" secured, subject to their appropriation by the General  
976 Assembly, first from (i) any revenues received from any Set-aside Fund established by the General  
977 Assembly pursuant to § 58.1-816.1, (ii) to the extent required, revenues received pursuant to any  
978 contract with a local jurisdiction or any alternative mechanism for generation of local revenues for  
979 specific funding of a project satisfactory to the Commonwealth Transportation Board, (iii) to the extent  
980 required, funds appropriated and allocated, pursuant to the highway allocation formula as provided by  
981 law, to the highway construction district in which the project or projects to be financed are located or to  
982 the city or county in which the project or projects to be financed are located, (iv) to the extent required,

legally available revenues of the Transportation Trust Fund, and (v) such other funds which may be appropriated by the General Assembly. No bonds for any project or projects shall be issued under the authority of this subsection unless such project or projects are specifically included in a bill or resolution passed by the General Assembly;

4c. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of Virginia Transportation Program Revenue Bonds" secured, subject to their appropriation by the General Assembly, first from (i) any revenues received from the Commonwealth Transit Capital Fund established by the General Assembly pursuant to subdivision A 4 g of § 58.1-638, (ii) to the extent required, legally available revenues of the Transportation Trust Fund, and (iii) such other funds which may be appropriated by the General Assembly. No bonds for any project or projects shall be issued under the authority of this subsection unless such project or projects are specifically included in a bill or resolution passed by the General Assembly;

4d. Issue revenue bonds of the Commonwealth from time to time to be known and designated as "Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes" secured, subject to their appropriation by the General Assembly, (i) first from any federal highway reimbursements and any other federal highway assistance received from time to time by the Commonwealth, (ii) then, at the discretion of the Board, to the extent required, from legally available revenues of the Transportation Trust Fund, and (iii) then from such other funds, if any, which are designated by the General Assembly for such purpose;

4e. Issue revenue bonds of the Commonwealth from time to time to be known and designated as "Commonwealth of Virginia Credit Assistance Revenue Bonds," secured, subject to their appropriation by the General Assembly, solely from revenues with respect to or generated by the project or projects being financed thereby and any tolls or other revenues pledged by the Board as security therefor and in accordance with the applicable federal credit assistance authorized with respect to such project or projects by the United States Department of Transportation;

4f. *Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of Virginia Transportation Capital Projects Revenue Bonds," secured (i) from the revenues deposited into the Commonwealth Transportation Capital Projects Debt Service Fund pursuant to § 58.1-2532; (ii) to the extent required, from revenues legally available from the Transportation Trust Fund; and (iii) to the extent required, from any other legally available funds;*

5. Fix and collect tolls and other charges for the use of such projects or to refinance the cost of such projects;

6. Construct grade separations at intersections of any projects with public highways, streets or other public ways or places and change and adjust the lines and grades thereof so as to accommodate the same to the design of such grade separations, the cost of such grade separations and any damage incurred in changing and adjusting the lines and grades of such highways, streets, ways and places to be ascertained and paid by the Board as a part of the cost of the project;

7. Vacate or change the location of any portion of any public highway, street or other public way or place and reconstruct the same at such new location as the Board deems most favorable for the project and of substantially the same type and in as good condition as the original highway, streets, way or place, the cost of such reconstruction and any damage incurred in vacating or changing the location thereof to be ascertained and paid by the Board as a part of the cost of the project. Any public highway, street or other public way or place vacated or relocated by the Board shall be vacated or relocated in the manner provided by law for the vacation or relocation of public roads and any damages awarded on account thereof may be paid by the Board as a part of the cost of the project;

8. Make reasonable regulations for the installation, construction, maintenance, repair, renewal and relocation of pipes, mains, sewers, conduits, cables, wires, towers, poles and other equipment and appliances herein called "public utility facilities," of the Commonwealth and of any municipality, county, or other political subdivision, public utility or public service corporation owning or operating the same in, on, along, over or under the project. Whenever the Board determines that it is necessary that any such public utility facilities should be relocated or removed, the Commonwealth or such municipality, county, political subdivision, public utility or public service corporation shall relocate or remove the same in accordance with the order of the Board. The cost and expense of such relocation or removal, including the cost of installing such public utility facilities in a new location or locations, and the cost of any lands or any rights or interests in lands, and any other rights acquired to accomplish such relocation or removal shall be ascertained by the Board.

On any toll project, the Board shall pay the cost and expense of relocation or removal as a part of the cost of the project for those public utility facilities owned or operated by the Commonwealth or such municipality, county, political subdivision, public utility or public service corporation. On all other projects, under this article, the Board shall pay the cost and expense of relocation or removal as a part of the cost of the project for those public utility facilities owned or operated by the Commonwealth or

1044 such municipality, county, or political subdivision. The Commonwealth or such municipality, county,  
1045 political subdivision, public utility or public service corporation may maintain and operate such public  
1046 utility facilities with the necessary appurtenances, in the new location or locations, for as long a period  
1047 and upon the same terms and conditions as it had the right to maintain and operate such public utility  
1048 facilities in their former location or locations;

1049 9. Acquire by the exercise of the power of eminent domain any lands, property, rights, rights-of-way,  
1050 franchises, easements and other property, including public lands, parks, playgrounds, reservations,  
1051 highways or parkways, or parts thereof or rights therein, of any municipality, county or other political  
1052 subdivision, deemed necessary or convenient for the construction or the efficient operation of the project  
1053 or necessary in the restoration, replacement or relocation of public or private property damaged or  
1054 destroyed.

1055 The cost of such projects shall be paid solely from the proceeds of Commonwealth of Virginia Toll  
1056 or Transportation Contract Revenue Bonds or a combination thereof or from such proceeds and from  
1057 any grant or contribution which may be made thereto pursuant to the provisions of this article;

1058 10. Notwithstanding any provision of this article to the contrary, the Board shall be authorized to  
1059 exercise the powers conferred herein, in addition to its general powers to acquire rights-of-way and to  
1060 construct, operate and maintain state highways, with respect to any project which the General Assembly  
1061 has authorized or may hereafter authorize to be financed in whole or in part through the issuance of  
1062 bonds of the Commonwealth pursuant to the provisions of Section 9 (c) of Article X of the Constitution  
1063 of Virginia; and

1064 11. Enter into any agreements or take such other actions as the Board shall determine in connection  
1065 with applying for or obtaining any federal credit assistance, including without limitation loan guarantees  
1066 and lines of credit, pursuant to authorization from the United States Department of Transportation with  
1067 respect to any project included in the Commonwealth's long-range transportation plan and the approved  
1068 State Transportation Improvement Program.

1069 § 33.1-277. Credit of Commonwealth not pledged.

1070 A. Commonwealth of Virginia Toll Revenue Bonds issued under the provisions of this article shall  
1071 not be deemed to constitute a debt of the Commonwealth of Virginia or a pledge of the faith and credit  
1072 of the Commonwealth, but such bonds shall be payable solely from the funds herein provided therefor  
1073 from tolls and revenues, from bond proceeds or earnings thereon and from any other available sources  
1074 of funds. All such bonds shall state on their face that the Commonwealth of Virginia is not obligated to  
1075 pay the same or the interest thereon except from the special fund provided therefor from tolls and  
1076 revenues under this article, from bond proceeds or earnings thereon and from any other available sources  
1077 of funds and that the faith and credit of the Commonwealth are not pledged to the payment of the  
1078 principal or interest of such bonds. The issuance of such revenue bonds under the provisions of this  
1079 article shall not directly or indirectly or contingently obligate the Commonwealth to levy or to pledge  
1080 any form of taxation whatever therefor or to make any appropriation for their payment, other than  
1081 appropriate available funds derived as revenues from tolls and charges under this article or derived from  
1082 bond proceeds or earnings thereon and from any other available sources of funds.

1083 B. Commonwealth of Virginia Transportation Contract Revenue Bonds issued under the provisions of  
1084 this article shall not be deemed to constitute a debt of the Commonwealth of Virginia or a pledge of the  
1085 faith and credit of the Commonwealth, but such bonds shall be payable solely from the funds herein  
1086 provided therefor (i) from revenues received pursuant to contracts with a primary highway transportation  
1087 district or transportation service district or any other alternative mechanism for generation of local  
1088 revenues for specific funding of a project satisfactory to the Commonwealth Transportation Board, (ii) to  
1089 the extent required, from funds appropriated and allocated, pursuant to the highway allocation formula as  
1090 provided by law, to the highway construction district in which the project or projects to be financed are  
1091 located or to the county or counties in which such project or projects are located, (iii) from bond  
1092 proceeds or earnings thereon, (iv) to the extent required, from other legally available revenues of the  
1093 Trust Fund, and (v) from any other available source of funds. All such bonds shall state on their face  
1094 that the Commonwealth of Virginia is not obligated to pay the same or the interest thereon except from  
1095 revenues in clauses (i) and (iii) hereof and that the faith and credit of the Commonwealth are not  
1096 pledged to the payment of the principal and interest of such bonds. The issuance of such revenue bonds  
1097 under the provisions of this article shall not directly or indirectly or contingently obligate the  
1098 Commonwealth to levy or to pledge any form of taxation whatever or to make any appropriation for  
1099 their payment, other than to appropriate available funds derived as revenues under this article from the  
1100 sources set forth in clauses (i) and (iii) hereof. Nothing in this article shall be construed to obligate the  
1101 General Assembly to make any appropriation of the funds set forth in clause (ii) or (iv) hereof for  
1102 payment of such bonds.

1103 C. Commonwealth of Virginia Transportation Revenue Bonds issued under the provisions of this  
1104 article shall not be deemed to constitute a debt of the Commonwealth of Virginia or a pledge of the full  
1105 faith and credit of the Commonwealth, but such bonds shall be payable solely from the funds herein

provided therefor (i) from revenues received from the U.S. Route 58 Corridor Development Fund, subject to their appropriation by the General Assembly, (ii) to the extent required, from revenues legally available from the Transportation Trust Fund and (iii) to the extent required, from any other legally available funds which shall have been appropriated by the General Assembly.

D. Commonwealth of Virginia Transportation Revenue Bonds issued under this article for Category 1 projects as provided in subdivision (2) (s) of § 33.1-268 shall not be deemed to constitute a debt of the Commonwealth of Virginia or a pledge of the faith and credit of the Commonwealth. Such bonds shall be payable solely, subject to their appropriation by the General Assembly, first from (i) revenues received from the Northern Virginia Transportation District Fund, (ii) to the extent required, funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the highway construction district in which the project or projects to be financed are located or to the city or county in which the project or projects to be financed are located, (iii) to the extent required, legally available revenues of the Transportation Trust Fund, and (iv) such other funds which may be appropriated by the General Assembly.

E. Commonwealth of Virginia Transportation Program Revenue Bonds issued under this article for projects defined in subdivision (2) (t) of § 33.1-268 shall not be deemed to constitute a debt of the Commonwealth or a pledge of the faith and credit of the Commonwealth. Such bonds shall be payable solely, subject to their appropriation by the General Assembly, first from (i) any revenues received from any Set-aside Fund established by the General Assembly pursuant to § 58.1-816.1, (ii) to the extent required, revenues received pursuant to any contract with a local jurisdiction or any alternative mechanism for generation of local revenues for specific funding of a project satisfactory to the Commonwealth Transportation Board, (iii) to the extent required, funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the highway construction district in which the project or projects to be financed are located or to the city or county in which the project or projects to be financed are located, (iv) to the extent required, legally available revenues from the Transportation Trust Fund, and (v) such other funds which may be appropriated by the General Assembly.

F. Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes issued under this article shall not be deemed to constitute a debt of the Commonwealth of Virginia or a pledge of the full faith and credit of the Commonwealth, but such obligations shall be payable solely, subject to appropriation by the General Assembly, (i) first from any federal highway reimbursements and any other federal highway assistance received from time to time by the Commonwealth, (ii) then, at the discretion of the Board, to the extent required, from legally available revenues of the Transportation Trust Fund, and (iii) then, from such other funds, if any, which are designated by the General Assembly for such purpose.

G. Commonwealth of Virginia Transportation Credit Assistance Revenue Bonds issued under the provisions of this article shall not be deemed to constitute a debt of the Commonwealth of Virginia or a pledge of the full faith and credit of the Commonwealth, but such obligations shall be payable solely, subject to appropriation by the General Assembly, from revenues with respect to or generated by the project or projects being financed thereby and any tolls or other revenues pledged by the Board as security therefor and in accordance with the applicable federal credit assistance authorized with respect to such project or projects by the United States Department of Transportation.

H. *Commonwealth of Virginia Transportation Capital Projects Revenue Bonds issued under the provisions of this article for projects as provided in subdivision 2 v of § 33.1-268 shall not be deemed to constitute a debt of the Commonwealth of Virginia or a pledge of the full faith and credit of the Commonwealth, but such bonds shall be payable solely from the funds herein provided therefor (i) from the revenues deposited into the Commonwealth Transportation Capital Projects Debt Service Fund established pursuant to § 58.1-2532; (ii) to the extent required, from revenues legally available from the Transportation Trust Fund; and (iii) to the extent required, from any other legally available funds.* CHAPTER 10.2. HAMPTON ROADS TRANSPORTATION AUTHORITY.

§ 33.1-391.6. Short Title.

*This chapter shall be known and may be cited as the Hampton Roads Transportation Authority Act.*

§ 33.1-391.7. Authority created.

*The Hampton Roads Transportation Authority, hereinafter in this chapter known as "the Authority" is hereby created as a body politic and as a political subdivision of the Commonwealth.*

§ 33.1-391.8. Powers of the Authority.

*Notwithstanding any contrary provision of this title and in accordance with all applicable federal statutes and requirements, the Authority shall control and operate and may impose and collect tolls in amounts established by the Authority for the use of any new or improved highway, bridge, tunnel, or transportation facility to increase capacity on such facility (including new construction relating to, or improvements to, the bridges, tunnels, roadways, and related facilities known collectively as the*

1167 Chesapeake Bay Bridge-Tunnel as described in § 33.1-391.12, pursuant to the conditions set forth in  
1168 such section) constructed by the Authority or with funds provided in whole or in part by the Authority.  
1169 The amount of any such toll may be varied from facility to facility, by lane, by congestion levels, by day  
1170 of the week, time of day, type of vehicle, number of axles, or any similar combination thereof, and a  
1171 reduced rate may be established for commuters as defined by the Authority. For purposes of this  
1172 section, the Midtown and Downtown tunnels located within the Cities of Norfolk and Portsmouth shall  
1173 be considered a single transportation facility and both facilities may be tolled if improvements are made  
1174 to either tunnel. Any tolls imposed by the Authority shall be collected by an electronic toll system that,  
1175 to the extent possible, shall not impede traffic flow. For all roads tolled by the Authority, there shall be  
1176 signs erected prior to the point of toll collection that clearly state how the majority of the toll revenue  
1177 for the particular road is being spent by the Authority.

1178 § 33.1-391.9. Composition of Authority; chairman and vice-chairman; quorum.

1179 The Authority shall consist of the following members: (i) one member of the local governing body of  
1180 each of the following localities, provided that the locality imposes all of the local transportation fees  
1181 and taxes authorized by §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.2,  
1182 58.1-2402.2, and 58.1-3221.3: the Counties of Isle of Wight, James City, and York and the Cities of  
1183 Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Suffolk, Virginia Beach, and Williamsburg;  
1184 (ii) a member of the Commonwealth Transportation Board, to be appointed by the Governor, who  
1185 resides in a county or city embraced by the Authority who shall serve ex officio without a vote; (iii) the  
1186 Director of the Virginia Department of Rail and Public Transportation, or his designee, who shall serve  
1187 ex officio without a vote; (iv) the Commonwealth Transportation Commissioner, or his designee, who  
1188 shall serve ex officio without a vote; (v) two members of the Virginia House of Delegates who reside in  
1189 a city or county that is imposing the local transportation fees and taxes authorized by §§ 46.2-332.1,  
1190 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.2, 58.1-2402.2, and 58.1-3221.3, neither of  
1191 whom shall reside in the same city or county, appointed by the Speaker of the House of Delegates; and  
1192 (vi) one member of the Senate of Virginia who resides in a city or county that is imposing the local  
1193 transportation fees and taxes authorized by §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1,  
1194 58.1-609.14, 58.1-802.2, 58.1-2402.2, and 58.1-3221.3, appointed by the Senate Committee on Rules.  
1195 Each representative of a local governing body shall be appointed by a majority vote of the respective  
1196 local governing body and shall be a member of the local governing body by which he is appointed. In  
1197 the event that a member of the Authority who is appointed by a local governing body ceases to be a  
1198 member of that local governing body, he may no longer serve as a member of the Authority. Members  
1199 of the Authority appointed by local governing bodies shall serve for terms of four years and may be  
1200 reappointed for one additional term of four years. Any member of the Authority appointed by a local  
1201 governing body who is initially appointed to serve a term of less than three years may thereafter be  
1202 appointed for two successive four-year terms. For the purpose of initial appointments and in order to  
1203 provide for staggered terms, those members appointed by the City Council of the City of Hampton, the  
1204 City Council of the City of Newport News, and the Board of Supervisors of James City County shall be  
1205 appointed for terms of two years; those members who are appointed by the City Council of the City of  
1206 Norfolk, the City Council of the City of Chesapeake, and the City Council of the City of Portsmouth  
1207 shall be appointed for terms of three years; and the remaining representatives of local governing bodies  
1208 shall be appointed for terms of four years. Legislative members shall serve terms coincident with their  
1209 terms of office. Vacancies shall be filled by appointment for the unexpired term by the same process as  
1210 used to make the original appointment.

1211 The Authority shall annually elect a chairman and vice-chairman from among its membership, each  
1212 of whom shall continue to hold such office until their respective successors are elected.

1213 A majority of the members of the Authority shall constitute a quorum for the transaction of business.

1214 Members of the Authority shall be reimbursed for their actual and necessary expenses incurred in  
1215 the performance of their duties and, in addition, shall be paid a per diem equal to the amount paid  
1216 members of the Commonwealth Transportation Board for each day or portion thereof during which they  
1217 are engaged in the official business of the Authority.

1218 The Auditor of Public Accounts, or his legally authorized representatives, shall annually audit the  
1219 financial accounts of the Authority, and the cost of such audit shall be borne by the Authority.

1220 § 33.1-391.10. Additional powers of the Authority.

1221 The Authority shall have the following powers together with all powers incidental thereto or  
1222 necessary for the performance of those hereinafter stated:

1223 1. To sue and be sued and to prosecute and defend, at law or in equity, in any court having  
1224 jurisdiction of the subject matter and of the parties;

1225 2. To adopt and use a corporate seal and to alter the same at its pleasure;

1226 3. To procure insurance, participate in insurance plans, and provide self-insurance; however, the  
1227 purchase of insurance, participation in an insurance plan, or the creation of a self-insurance plan by  
1228 the Authority shall not be deemed a waiver or relinquishment of any sovereign immunity to which the

Authority or its officers, directors, employees, or agents are otherwise entitled;

4. To establish bylaws and make all rules and regulations, not inconsistent with the provisions of this chapter, deemed expedient for the management of the Authority's affairs;

5. To apply for and accept money, materials, contributions, grants, or other financial assistance from the United States and agencies or instrumentalities thereof, the Commonwealth, and any political subdivision, agency, or instrumentality of the Commonwealth, and from any legitimate private source;

6. To acquire real and personal property or any interest therein by purchase, lease, gift, or otherwise (and to the extent not inconsistent with the provisions of § 33.1-422) for purposes consistent with this chapter; and to hold, encumber, sell, or otherwise dispose of such land or interest for purposes consistent with this chapter;

7. To acquire by purchase, lease, contract, or otherwise (and to the extent not inconsistent with the provisions of § 33.1-422), highways, bridges, tunnels, railroads, rolling stock, and transit and rail facilities and other transportation-related facilities; and to construct the same by purchase, lease, contract, or otherwise in the manner and to the extent not inconsistent with the provisions of the first paragraph of § 33.1-422;

8. In coordination with the Commonwealth Transportation Board and with each city or county in which the facility or any part thereof is or is to be located, to repair, expand, enlarge, construct, reconstruct, or renovate any or all of the transportation facilities referred to in § 33.1-391.8, and to acquire any real or personal property needed for any such purpose;

9. To enter into agreements or leases with public or private entities for the operation and maintenance of bridges, tunnels, transit and rail facilities, and highways;

10. To make and execute contracts, deeds, mortgages, leases, and all other instruments and agreements necessary or convenient for the performance of its duties and the exercise of its powers and functions under this chapter;

11. To the extent funds are made or become available to the Authority to do so, to employ employees, agents, advisors, and consultants, including without limitation, attorneys, financial advisers, engineers, and other technical advisers and, the provisions of any other law to the contrary notwithstanding, to determine their duties and compensation;

12. The authority shall comply with the provisions governing localities contained in § 15.2-2108.23; and

13. To the extent not inconsistent with the other provisions of this chapter, and without limiting or restricting the powers otherwise given the Authority, to exercise all of the powers given to transportation district commissions by §§ 15.2-4518 and 15.2-4519. The Authority shall only undertake those transportation projects that are currently included in the federally mandated 2030 Regional Transportation Plan approved by the Metropolitan Planning Organization, or any successive plan, and that are located in, or which provide a benefit to, the counties and cities that are members of the Authority, subject to the limitations related to those projects contained in this section.

The Authority shall phase construction of the transportation projects that are currently included in the federally mandated 2030 Regional Transportation Plan, or any successive plan. Except as specifically provided herein, projects listed in the second phase shall not be undertaken until the Authority has determined that there is a viable plan of construction for the projects listed in the first phase that meet the requirements of this section.

First Phase Projects:

Route 460 Upgrade; I-64 Widening on the Peninsula; I-64 Widening on the Southside; Midtown Tunnel/MLK Extension; Southeastern Parkway/Dominion Blvd; I-664 Widening in Newport News; I-664 Widening on the Southside; I-664 Monitor Merrimac Bridge Tunnel Widening.

Second Phase Projects:

I-64 to the Intermodal Connector; I-564 Connector to the Monitor Merrimac Bridge Tunnel; Craney Island Connector.

It is the intent of the General Assembly that the Authority shall encourage private sector participation in the aforementioned projects. Any cost savings realized under the PPTA relating to the construction of first phase projects may be applied to advancing the future construction of second phase projects. Further, nothing herein shall prohibit the Authority from receiving and acting on PPTA proposals on projects in either phase.

§ 33.1-391.11. Authority a responsible public entity under Public-Private Transportation Act of 1995.

The Authority is a responsible public entity as defined in the Public-Private Transportation Act of 1995 (§ 56-556 et seq.).

§ 33.1-391.12. Addition of the Chesapeake Bay Bridge-Tunnel to facilities controlled by Authority; expansion of Authority membership; applicability of local transportation fees to Accomack and Northampton Counties.

The bridges, tunnels, roadways, and related facilities known collectively as the Chesapeake Bay

1290 Bridge-Tunnel, which provide a vehicular connection across the mouth of the Chesapeake Bay between  
1291 the City of Virginia Beach and Northampton County, shall become subject to the control of the  
1292 Authority subject to the provisions of § 33.1-391.8, at such time as all of the bonds and other evidences  
1293 of debt now or hereafter issued by or on behalf of the Chesapeake Bay Bridge and Tunnel Commission  
1294 shall have been satisfied or paid in full. Until such bonds and other evidences of debt have been  
1295 satisfied or paid in full, control of and responsibility for the operation and maintenance of the  
1296 Chesapeake Bay Bridge-Tunnel facilities shall remain with the Chesapeake Bay Bridge and Tunnel  
1297 Commission.

1298 In discharging its responsibilities for the operation and maintenance of the Chesapeake Bay  
1299 Bridge-Tunnel facilities, the Authority shall have, in addition to the powers it is given by this chapter,  
1300 all of the powers and authority given to the Chesapeake Bay Bridge and Tunnel Commission by Chapter  
1301 693 of the Acts of Assembly of 1954 and by Chapter 714 of the Acts of the Assembly of 1956, as  
1302 amended and incorporated by reference as § 33.1-253.

1303 At such time as the Chesapeake Bay Bridge-Tunnel facilities become subject to the control of the  
1304 Authority as contemplated by this section, the Authority shall be enlarged by two members, one of whom  
1305 shall be a member of the governing body of the County of Accomack, provided that the County imposes  
1306 the local transportation fees and taxes authorized by §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1,  
1307 58.1-609.14, 58.1-802.2, 58.1-2402.2, and 58.1-3221.3, and one of whom shall be a member of the  
1308 governing body of the County of Northampton, provided that the County imposes the local  
1309 transportation fees and taxes authorized by §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1,  
1310 58.1-609.14, 58.1-802.2, 58.1-2402.2, and 58.1-3221.3. The representative of the local governing body  
1311 of the County of Accomack and the County of Northampton shall be appointed by a majority vote of the  
1312 respective local governing body and shall be a member of the local governing body by which he is  
1313 appointed. In the event that a member of the Authority who is appointed by the governing body of the  
1314 County of Accomack or the County of Northampton ceases to be a member of that local governing body,  
1315 he may no longer serve as a member of the Authority. Members of the Authority appointed by the  
1316 County of Accomack or the County of Northampton shall serve for terms of four years and may be  
1317 appointed for one additional term of four years.

1318 § 33.1-391.13. Issuance of bonds by the Chesapeake Bay Bridge and Tunnel Commission.

1319 On a prospective basis, prior to issuing any bonds for the purposes of financing the construction of  
1320 new or additional tunnels, the Chesapeake Bay Bridge and Tunnel Commission shall obtain approval for  
1321 the issuance from the General Assembly.

1322 § 33.1-391.14. Continuing responsibilities of the Commonwealth Transportation Board and the  
1323 Virginia Department of Transportation.

1324 Except as otherwise explicitly provided in this chapter, until such time as the Authority and the  
1325 Virginia Department of Transportation, or the Authority and the Commonwealth Transportation Board,  
1326 agree otherwise in writing, the Commonwealth Transportation Board shall allocate funding to and the  
1327 Department of Transportation shall perform or cause to be performed all maintenance and operation of  
1328 the bridges, tunnels, and roadways referred to in § 33.1-391.8, and shall perform such other required  
1329 services and activities with respect to such bridges, tunnels, and roadways as were being performed on  
1330 January 1, 2006.

1331 § 33.1-391.15. Hampton Roads Planning District Commission to provide administrative services and  
1332 office facilities.

1333 The staff of the Hampton Roads Planning District Commission and the Virginia Department of  
1334 Transportation shall work cooperatively to assist the proper formation and effective organization of the  
1335 Authority. Until such time as the Authority is fully established and functioning, the staff of the Hampton  
1336 Roads Planning District Commission shall serve as its staff, and the Hampton Roads Planning District  
1337 Commission shall provide the Authority with office space and administrative support. The Authority shall  
1338 reimburse the Hampton Roads Planning District Commission for the cost of such staff, office space, and  
1339 administrative support as appropriate.

1340 § 33.1-391.16. Use of revenues by the Authority.

1341 Notwithstanding any other provision of this chapter, all moneys received by the Authority shall be  
1342 used by the Authority solely for the benefit of those counties and cities imposing the local transportation  
1343 fees and taxes authorized by §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14,  
1344 58.1-802.2, 58.1-2402.2, and 58.1-3221.3, and such moneys shall be used by the Authority in a manner  
1345 that is consistent with the purposes stated in this chapter.

1346 § 33.1-391.17. Local Transportation Fees.

1347 A. In addition to any other taxes, fees, or other charges imposed under law, each of the governing  
1348 bodies of the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton,  
1349 Newport News, Norfolk, Portsmouth, Suffolk, Virginia Beach, and Williamsburg may by ordinance levy  
1350 the fees and taxes authorized by §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14,  
1351 58.1-802.2, 58.1-2402.2, and 58.1-3221.3, provided that (i) the governing body of the county or city



adopts all of the fees and taxes authorized by §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.2, 58.1-2402.2, and 58.1-3221.3, and (ii) the governing body of the county or city appropriates the revenue collected from the additional fees to the Hampton Roads Transportation Authority established under § 33.1-391.7.

At such time as the Chesapeake Bay Bridge-Tunnel becomes subject to the control of the Hampton Roads Transportation Authority as provided in § 33.1-391.12, each of the governing bodies of the Counties of Accomack and Northampton may also by ordinance levy the local transportation fees and taxes authorized by §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.2, 58.1-2402.2, and 58.1-3221.3, provided that the governing body of the county appropriates the revenue generated by such fees to the Hampton Roads Transportation Authority.

The Authority shall use all funds collected hereunder solely for the purposes provided in § 33.1-391.16.

B. No locality imposing the local transportation fees and taxes authorized by §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.2, 58.1-2402.2, and 58.1-3221.3 shall cease to impose such fees so long as the Hampton Roads Transportation Authority (i) is currently engaged in a transportation project within the boundaries of the locality or that benefits the locality, (ii) has entered into a binding commitment to begin a transportation project within the boundaries of the locality, or that benefits the locality, or (iii) has issued bonds or incurred other evidence of debt that has not been satisfied or paid in full and that relates to a transportation project undertaken by the Authority within the boundaries of the locality, or that benefits the locality.

§ 46.2-206.1. Imposition of certain additional fees on certain drivers.

A. The purpose of the civil remedial fees imposed in this section is to generate revenue from drivers whose proven dangerous driving behavior places significant financial burdens upon the Commonwealth. The civil remedial fees established by this section shall be in addition to any other fees, costs, or penalties imposed pursuant to the Code of Virginia.

B. The civil remedial fees established by this section shall be assessed on any resident of Virginia operating a motor vehicle on the highways of Virginia, including persons to whom Virginia driver's licenses, commercial driver's licenses, or learner's permits have been issued pursuant to this title; persons operating motor vehicles without licenses or whose license has been revoked or suspended; and persons operating motor vehicles with a license issued by a jurisdiction outside Virginia.

C. The court shall assess a person with the following fees upon each conviction of the following offenses:

1. Driving while his driver's license was suspended or revoked pursuant to § 18.2-272, 46.2-301, 46.2-302, 46.2-341.21, or 46.2-391 shall be assessed a fee to be paid in three annual payments of \$250 each;

2. Reckless driving in violation of Article 7 (§ 46.2-852 et seq.) of Chapter 8 or aggressive driving in violation of § 46.2-868.1 shall be assessed a fee to be paid in three annual payments of \$350 each;

3. Driving while intoxicated in violation of § 18.2-266, 18.2-266.1, or 46.2-341.24 shall be assessed a fee to be paid in three annual payments of \$750 each; and

4. Any other misdemeanor conviction for a driving and/or motor vehicle related violation of Title 18.2 or this title that is not included in one of the preceding three subdivisions of this subsection shall be assessed a fee to be paid in three annual payments of \$300 each; and

5. Any felony conviction for a driving or motor vehicle-related offense under Title 18.2 or this title, shall be assessed a fee to be paid in three annual payments of \$1,000 each.

6. For the purposes of this section:

a. A finding of guilty in the case of a juvenile and a conviction under substantially similar laws of any locality, territory, other state, or of the United States, shall be a conviction.

b. The fees assessed under this subsection shall be implemented in a manner whereby no convictions prior to July 1, 2007, shall be considered.

D. The court shall collect, in full, the first annual payment of the fee imposed under subsection C at the time of conviction and shall order the person assessed a fee to submit the second annual payment to the Department within 14 calendar months of the date of conviction and the third annual payment to the Department within 26 months of the date of conviction. When transmitting conviction information to the Department the court shall also transmit notice that a fee has been imposed under this section and the deadline upon which the second and third annual payments must be submitted to the Department. The court shall order suspension of the driver's license or privilege to drive a motor vehicle in Virginia as provided in § 46.2-395 of any person failing to pay the first annual payment of the fee assessed under subsection C.

E. For all convictions reported to the Department for which fees are established under subsection C, the person assessed the fee shall submit the second annual payment to the Commissioner within 14 calendar months of the date of conviction and the third annual payment within 26 months of the date of

1413 conviction. The Department shall notify every person assessed a fee by mailing a notice of the second  
1414 and the third annual payments, including the amount due and the date it is due, by first-class mail  
1415 addressed to such person's most recent address as shown in the Department's records. Such mailing  
1416 shall constitute notice to the person assessed a fee under this section of the amount and date by which  
1417 the second and third annual payments shall be paid to the Department. The Commissioner shall suspend  
1418 the driver's license or privilege to drive a motor vehicle in Virginia of any person failing to pay the  
1419 second or third annual payment of the fee to the Department by the due date specified in the notice.

1420 F. In addition to any fees set forth in subsection C, any person whose driver's record with the  
1421 Department shows a balance of eight or more driver demerit points on July 15 shall be assessed a fee  
1422 of \$100 plus \$75 for each demerit point in excess of eight, but not greater than \$700.

1423 G. The Department shall assess the fees set forth in subsection F annually, beginning on July 1,  
1424 2007.

1425 H. The Department shall notify every person assessed a fee under subsection F by mailing a notice  
1426 thereof by first-class mail addressed to such person's most recent address as shown in the Department's  
1427 records, and such mailing shall constitute notice to the person of the assessment of the fee. If any  
1428 assessment made under this section remains unpaid 60 days following the date on which the notice of  
1429 assessment was mailed, the Commissioner shall suspend the driver's license or privilege to drive a  
1430 motor vehicle in Virginia of the person against whom the assessment was imposed. No license shall be  
1431 reissued or reinstated until all fees assessed pursuant to this section have been paid and all other  
1432 reinstatement requirements as provided in this title have been satisfied.

1433 I. In the event that a person disputes a conviction on his driver's record based upon identity, if the  
1434 person presents the Department a certified copy of a petition to a court of competent jurisdiction  
1435 seeking to vacate an order of such conviction, the Department shall suspend the imposition of the  
1436 assessment. Such suspension shall be valid for one year from the date of the commencement or until 30  
1437 days after an entry of a final order on such petition, whichever occurs first.

1438 J. Funds collected through the imposition of the fees as provided for in this section shall be used to  
1439 pay the Department's cost in imposing and collecting such assessments as provided in the general  
1440 appropriation act, and any remainder shall be deposited into the Transportation Trust Fund and be  
1441 used according to § 33.1-23.03:10.

1442 § 46.2-332. Fees.

1443 A. On and after January 1, 1990, the fee for each driver's license other than a commercial driver's  
1444 license shall be two dollars and forty cents per year. If the license is a commercial driver's license or  
1445 seasonal restricted commercial driver's license, the fee shall be six dollars per year. Persons twenty-one  
1446 years old or older may be issued a scenic driver's license, learner's permit, or commercial driver's license  
1447 for an additional fee of five dollars. For any one or more driver's license endorsements, except a  
1448 motorcycle endorsement, there shall be an additional fee of one dollar per year; for a motorcycle  
1449 endorsement, there shall be an additional fee of two dollars per year. For any and all driver's license  
1450 classifications, there shall be an additional fee of one dollar per year. For any revalidation of a seasonal  
1451 restricted commercial driver's license, the fee shall be five dollars.

1452 A reexamination fee of two dollars shall be charged for each administration of the knowledge portion  
1453 of the driver's license examination taken by an applicant who is eighteen years of age or older if taken  
1454 more than once within a fifteen-day period. The reexamination fee shall be charged each time the  
1455 examination is administered until the applicant successfully completes the examination, if taken prior to  
1456 the fifteenth day.

1457 An applicant who is less than eighteen years of age who does not successfully complete the  
1458 knowledge portion of the driver's license examination shall not be permitted to take the knowledge  
1459 portion more than once in fifteen days.

1460 If the applicant for a driver's license is an employee of the Commonwealth, or of any county, city, or  
1461 town who drives a motorcycle or a commercial motor vehicle solely in the line of his duty, he shall be  
1462 exempt from the additional fee otherwise assessable for a motorcycle classification or a commercial  
1463 motor vehicle endorsement. The Commissioner may prescribe the forms as may be requisite for  
1464 completion by persons claiming exemption from additional fees imposed by this section.

1465 No additional fee above two dollars and forty cents per year shall be assessed for the driver's license  
1466 or commercial driver's license required for the operation of a school bus.

1467 Excluding the two-dollar reexamination fee, one dollar and fifty cents of all fees collected for each  
1468 original or renewal driver's license shall be paid into the driver education fund of the state treasury and  
1469 expended as provided by law. Unexpended funds from the driver education fund shall be retained in the  
1470 fund and be available for expenditure in ensuing years as provided therein.

1471 All fees for motorcycle endorsements shall be distributed as provided in § 46.2-1191.

1472 B. Beginning January 1, 2008, in addition to all other fees authorized by this chapter, the governing  
1473 body of any county or city that is included in the Northern Virginia Transportation Authority established  
1474 pursuant to § 15.2-4830 is authorized to impose an additional fee of \$100 for the initial issuance of a

driver's license to be collected by the Commissioner.

C. All revenues generated by the fee imposed pursuant to subsection B shall be appropriated to the Northern Virginia Transportation Authority and used according to the provisions of § 15.2-4838.1.

D. The additional fee imposed pursuant to subsection B shall not, however, be imposed for the issuance of a driver's license to any person to whom a Virginia driver's license was previously issued but whose Virginia driver's license had expired or had been suspended or revoked. Furthermore, the amount of such additional fee, for any minor who presents proof thereof satisfactory to the Commissioner, shall be waived for the successful completion of a driver safety course approved by the Department. Any and all fees imposed pursuant to this section shall be collected by the Department of Motor Vehicles at the time the initial license is issued. The Commissioner shall maintain records of the fee imposed and collected per person and the locality and address where each person resides.

E. No locality imposing the fee pursuant to this section shall cease to impose such fee so long as the Northern Virginia Transportation Authority (i) is engaged in a transportation project within the boundaries of the locality, (ii) has entered into a binding commitment to begin a transportation project within the boundaries of the locality, or (iii) has issued bonds or incurred other evidence of debt that has not been satisfied or paid in full and that relates to a transportation project undertaken by the Authority within the boundaries of the locality.

§ 46.2-332.1. Additional driver's license fee authorized in certain localities.

A. Beginning January 1, 2008, in addition to all other fees authorized by this chapter, each of the governing bodies of the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Suffolk, Virginia Beach, and Williamsburg is authorized to impose an additional fee of \$20 for the issuance, whether initial or renewal, of a driver's license to be collected by the Commissioner; provided the governing body appropriates the revenue from such fee to the Hampton Roads Transportation Authority to be used for the purposes set forth in § 33.1-391.16.

B. All such fees shall be remitted by the Commissioner on a monthly basis to the Hampton Roads Transportation Authority to be used for the purposes set forth in § 33.1-391.16.

C. Any and all fees imposed pursuant to this section shall be collected by the Department of Motor Vehicles at the time the initial or renewed license is issued. The Commissioner shall maintain records of the fee imposed and collected per person and the locality and address where each person resides.

§ 46.2-694. Fees for vehicles designed and used for transportation of passengers; weights used for computing fees; burden of proof.

A. The annual registration fees for motor vehicles, trailers, and semitrailers designed and used for the transportation of passengers on the highways in the Commonwealth are:

1. ~~Twenty-three~~ Thirty-three dollars for each private passenger car or motor home if the passenger car or motor home weighs 4,000 pounds or less, provided that it is not used for the transportation of passengers for compensation and is not kept or used for rent or for hire, or is not operated under a lease without a chauffeur.

2. ~~Twenty-eight~~ Thirty-eight dollars for each passenger car or motor home which weighs more than 4,000 pounds, provided that it is not used for the transportation of passengers for compensation and is not kept or used for rent or for hire, or is not operated under a lease without a chauffeur.

3. Thirty cents per 100 pounds or major fraction thereof for a private motor vehicle other than a motorcycle with a normal seating capacity of more than 10 adults including the driver if the private motor vehicle is not used for the transportation of passengers for compensation and is not kept or used for rent or for hire or is not operated under a lease without a chauffeur. In no case shall the fee be less than \$23 if the vehicle weighs 4,000 pounds or less or \$28 if the vehicle weighs more than 4,000 pounds.

4. Thirty cents per 100 pounds or major fraction thereof for a school bus. In no case shall the fee be less than \$23 if the vehicle weighs 4,000 pounds or less or \$28 if the vehicle weighs more than 4,000 pounds.

5. Twenty-three dollars for each trailer or semitrailer designed for use as living quarters for human beings.

6. Thirteen dollars plus \$ 0.30 per 100 pounds or major fraction thereof for each motor vehicle, trailer, or semitrailer used as a common carrier of passengers, operating either intrastate or interstate. Interstate common carriers of interstate passengers may elect to be licensed and pay the fees prescribed in subdivision 7 of this subsection on submission to the Commissioner of a declaration of operations and equipment as he may prescribe. An additional \$5 shall be charged if the motor vehicle weighs more than 4,000 pounds.

7. Thirteen dollars plus \$ 0.70 per 100 pounds or major fraction thereof for each motor vehicle, trailer, or semitrailer used as a common carrier of interstate passengers if election is made to be licensed under this subsection. An additional \$5 shall be charged if the motor vehicle weighs more than 4,000 pounds. In lieu of the foregoing fee of \$ 0.70 per 100 pounds, a motor carrier of passengers, operating

1536 two or more vehicles both within and outside the Commonwealth and registered for insurance purposes  
1537 with the Surface Transportation Board of the United States Department of Transportation, Federal  
1538 Highway Administration, may apply to the Commissioner for prorated registration. Upon the filing of  
1539 such application, in such form as the Commissioner may prescribe, the Commissioner shall apportion the  
1540 registration fees provided in this subsection so that the total registration fees to be paid for such vehicles  
1541 of such carrier shall be that proportion of the total fees, if there were no apportionment, that the total  
1542 number of miles traveled by such vehicles of such carrier within the Commonwealth bears to the total  
1543 number of miles traveled by such vehicles within and outside the Commonwealth. Such total mileage in  
1544 each instance is the estimated total mileage to be traveled by such vehicles during the license year for  
1545 which such fees are paid, subject to the adjustment in accordance with an audit to be made by  
1546 representatives of the Commissioner at the end of such license year, the expense of such audit to be  
1547 borne by the carrier being audited. Each vehicle passing into or through Virginia shall be registered and  
1548 licensed in Virginia and the annual registration fee to be paid for each such vehicle shall not be less  
1549 than \$33. For the purpose of determining such apportioned registration fees, only those motor vehicles,  
1550 trailers, or semitrailers operated both within and outside the Commonwealth shall be subject to inclusion  
1551 in determining the apportionment provided for herein.

1552 8. Thirteen dollars plus \$ 0.80 per 100 pounds or major fraction thereof for each motor vehicle,  
1553 trailer or semitrailer kept or used for rent or for hire or operated under a lease without a chauffeur for  
1554 the transportation of passengers. An additional fee of \$5 shall be charged if the vehicle weighs more  
1555 than 4,000 pounds. This subsection does not apply to vehicles used as common carriers.

1556 9. Twenty-three dollars for a taxicab or other vehicle which is kept for rent or hire operated with a  
1557 chauffeur for the transportation of passengers, and which operates or should operate under permits issued  
1558 by the Department as required by law. An additional fee of \$5 shall be charged if the vehicle weighs  
1559 more than 4,000 pounds. This subsection does not apply to vehicles used as common carriers.

1560 10. Eighteen dollars for a motorcycle, with or without a sidecar. To this fee shall be added a  
1561 surcharge of \$3 which shall be distributed as provided in § 46.2-1191.

1562 11. Twenty-three dollars for a bus used exclusively for transportation to and from church school, for  
1563 the purpose of religious instruction, or church, for the purpose of divine worship. If the empty weight of  
1564 the vehicle exceeds 4,000 pounds, the fee shall be \$28.

1565 12. Thirteen dollars plus \$ 0.70 per 100 pounds or major fraction thereof for other passenger-carrying  
1566 vehicles.

1567 13. An additional fee of \$4 per year shall be charged and collected at the time of registration of each  
1568 pickup or panel truck and each motor vehicle under subdivisions 1 through 12 of this subsection. All  
1569 funds collected pursuant to this subdivision shall be paid into the state treasury and shall be set aside as  
1570 a special fund to be used only for emergency medical service purposes. The moneys in the special fund  
1571 shall be distributed as follows:

1572 a. Two percent shall be distributed to the State Department of Health to provide funding to the  
1573 Virginia Association of Volunteer Rescue Squads to be used solely for the purpose of conducting  
1574 volunteer recruitment, retention and training activities;

1575 b. Thirty percent shall be distributed to the State Department of Health to support (i) emergency  
1576 medical services training programs (excluding advanced life support classes); (ii) advanced life support  
1577 training; (iii) recruitment and retention programs (all funds for such support shall be used to recruit and  
1578 retain volunteer emergency medical services personnel only, including public awareness campaigns,  
1579 technical assistance programs, and similar activities); (iv) emergency medical services system  
1580 development, initiatives, and priorities based on needs identified by the State Emergency Medical  
1581 Services Advisory Board; (v) local, regional, and statewide performance contracts for emergency medical  
1582 services to meet the objectives stipulated in § 32.1-111.3; (vi) technology and radio communication  
1583 enhancements; and (vii) improved emergency preparedness and response. Any funds set aside for  
1584 distribution under this provision and remaining undistributed at the end of any fiscal year shall revert to  
1585 the Rescue Squad Assistance Fund;

1586 c. Thirty-two percent shall be distributed to the Rescue Squad Assistance Fund;

1587 d. Ten percent shall be available to the State Department of Health's Office of Emergency Medical  
1588 Services for use in emergency medical services; and

1589 e. Twenty-six percent shall be returned by the Comptroller to the locality wherein such vehicle is  
1590 registered, to provide funding for training of volunteer or salaried emergency medical service personnel  
1591 of licensed, nonprofit emergency medical services agencies and for the purchase of necessary equipment  
1592 and supplies for use in such locality for licensed, nonprofit emergency medical and rescue services.

1593 The Comptroller shall clearly designate on the warrant, check, or other means of transmitting these  
1594 funds that such moneys are only to be used for purposes set forth in this subdivision. Such funds shall  
1595 be in addition to any local appropriations and local governing bodies shall not use these funds to  
1596 supplant local funds. Each local governing body shall report annually to the Board of Health on the use  
1597 of the funds returned to it pursuant to this section. In any case in which the local governing body grants

the funds to a regional emergency medical services council to be distributed to the licensed, nonprofit emergency medical and rescue services, the local governing body shall remain responsible for the proper use of the funds. If, at the end of any fiscal year, a report on the use of the funds returned to the locality pursuant to this section for that year has not been received from a local governing body, any funds due to that local governing body for the next fiscal year shall be retained until such time as the report has been submitted to the Board.

B. All motor vehicles, trailers, and semitrailers registered as provided in subsection B of § 46.2-646 shall pay a registration fee equal to one-twelfth of all fees required by subsection A of this section or § 46.2-697 for such motor vehicle, trailer, or semitrailer, computed to the nearest cent, multiplied by the number of months in the registration period for such motor vehicles, trailers, and semitrailers.

C. The manufacturer's shipping weight or scale weight shall be used for computing all fees required by this section to be based upon the weight of the vehicle.

D. The applicant for registration bears the burden of proof that the vehicle for which registration is sought is entitled by weight, design, and use to be registered at the fee tendered by the applicant to the Commissioner or to his authorized agent.

§ 46.2-694.1. Fees for trailers and semitrailers not designed and used for transportation of passengers.

Unless otherwise specified in this title, the registration fees for trailers and semitrailers not designed and used for the transportation of passengers on the highways in the Commonwealth shall be as follows:

Registered Gross Weight	1-Year Fee	2-Year Fee	Permanent Fee
0-1,500 lbs	<del>\$8.00</del> \$18.00	<del>\$16.00</del> \$26.00	<del>\$50.00</del> \$60.00
1,501-4,000 lbs	<del>\$18.50</del> \$28.50	<del>\$37.00</del> \$47.00	<del>\$50.00</del> \$60.00
4,001 lbs & above	<del>\$23.50</del> \$33.50	<del>\$47.00</del> \$57.00	<del>\$50.00</del> \$60.00

From the foregoing registration fees, the following amounts, regardless of weight category, shall be paid by the Department into the state treasury and set aside for the payment of the administrative costs of the safety inspection program provided for in Article 21 (§ 46.2-1157 et seq.) of Chapter 10 of this title: (i) from each one-year registration fee, one dollar and fifty cents; (ii) from each two-year registration fee, three dollars; and (iii) from each permanent registration fee, four dollars.

§ 46.2-697. Fees for vehicles not designed or used for transportation of passengers.

A. Except as otherwise provided in this section, the fee for registration of all motor vehicles not designed and used for the transportation of passengers shall be ~~thirteen dollars~~ \$23 plus an amount determined by the gross weight of the vehicle or combination of vehicles of which it is a part, when loaded to the maximum capacity for which it is registered and licensed, according to the schedule of fees set forth in this section. For each 1,000 pounds of gross weight, or major fraction thereof, for which any such vehicle is registered, there shall be paid to the Commissioner the fee indicated in the following schedule immediately opposite the weight group and under the classification established by the provisions of subsection B of § 46.2-711 into which such vehicle, or any combination of vehicles of which it is a part, falls when loaded to the maximum capacity for which it is registered and licensed. The fee for a pickup or panel truck shall be ~~twenty-three dollars~~ \$33 if its gross weight is 4,000 pounds or less, and ~~twenty-eight dollars~~ \$38 if its gross weight is 4,001 pounds through 6,500 pounds. The fee shall be ~~twenty-nine dollars~~ \$39 for any motor vehicle with a gross weight of 6,501 pounds through 10,000 pounds.

Gross Weight Groups (pounds)	Fee Per Thousand Pounds of Gross Weight	
	Private Carriers	For Rent or For Hire Carriers
10,001 - 11,000	<del>\$2.60</del> 3.17	<del>\$4.75</del> 5.80
11,001 - 12,000	<del>2.80</del> 3.42	<del>4.90</del> 5.98
12,001 - 13,000	<del>3.00</del> 3.66	<del>5.15</del> 6.28
13,001 - 14,000	<del>3.20</del> 3.90	<del>5.40</del> 6.59
14,001 - 15,000	<del>3.40</del> 4.15	<del>5.65</del> 6.89
15,001 - 16,000	<del>3.60</del> 4.39	<del>5.90</del> 7.20
16,001 - 17,000	<del>4.00</del> 4.88	<del>6.15</del> 7.50
17,001 - 18,000	<del>4.40</del> 5.37	<del>6.40</del> 7.81
18,001 - 19,000	<del>4.80</del> 5.86	<del>7.50</del> 9.15
19,001 - 20,000	<del>5.20</del> 6.34	<del>7.70</del> 9.39
20,001 - 21,000	<del>5.60</del> 6.83	<del>7.90</del> 9.64
21,001 - 22,000	<del>6.00</del> 7.32	<del>8.10</del> 9.88
22,001 - 23,000	<del>6.40</del> 7.81	<del>8.30</del> 10.13
23,001 - 24,000	<del>6.80</del> 8.30	<del>8.50</del> 10.37

1657	24,001 - 25,000	<del>6.90</del> 8.42	<del>8.70</del> 10.61
1658	25,001 - 26,000	<del>6.95</del> 8.48	<del>8.90</del> 10.86
1659	26,001 - 27,000	<del>8.25</del> 10.07	<del>10.35</del> 12.63
1660	27,001 - 28,000	<del>8.30</del> 10.13	<del>10.55</del> 12.87
1661	28,001 - 29,000	<del>8.35</del> 10.18	<del>10.75</del> 13.12
1662	29,001 - 40,000	<del>8.45</del> 10.31	<del>10.95</del> 13.36
1663	40,001 - 45,000	<del>8.55</del> 10.43	<del>11.15</del> 13.60
1664	45,001 - 50,000	<del>8.75</del> 10.68	<del>11.25</del> 13.73
1665	50,001 - 55,000	<del>9.25</del> 11.29	<del>13.25</del> 16.17
1666	55,001 - 76,000	<del>11.25</del> 13.73	<del>15.25</del> 18.61
1667	76,001 - 80,000	<del>13.25</del> 16.17	<del>16.25</del> 19.83

1668 For all such motor vehicles exceeding a gross weight of 6,500 pounds, an additional fee of five  
 1669 dollars shall be imposed.

1670 B. In lieu of registering any motor vehicle referred to in this section for an entire licensing year, the  
 1671 owner may elect to register the vehicle only for one or more quarters of a licensing year, and in such  
 1672 case, the fee shall be twenty-five percent of the annual fee plus five dollars for each quarter that the  
 1673 vehicle is registered.

1674 C. When an owner elects to register and license a motor vehicle under subsection B of this section,  
 1675 the provisions of §§ 46.2-646 and 46.2-688 shall not apply.

1676 D. Notwithstanding any other provision of law, no vehicle designed, equipped, and used to tow  
 1677 disabled or inoperable motor vehicles shall be required to register in accordance with any gross weight  
 1678 other than the gross weight of the towing vehicle itself, exclusive of any vehicle being towed.

1679 E. All registrations and licenses issued for less than a full year shall expire on the date shown on the  
 1680 license and registration.

1681 § 46.2-702.1. *Distribution of certain revenue.*

1682 *The net additional revenues generated by increases in the registration fees under §§ 46.2-694,*  
 1683 *46.2-694.1, and 46.2-697 pursuant to enactments of the 2007 Session of the General Assembly, shall be*  
 1684 *deposited by the Comptroller into the Transportation Trust Fund and be used according to*  
 1685 *§ 33.1-23.03:10.*

1686 § 46.2-755.1. *Additional annual license fees in certain localities.*

1687 A. *In addition to taxes and license fees imposed pursuant to § 46.2-752 and to all other taxes and*  
 1688 *fees permitted by law, and subject to the limitations contained in § 33.1-391.17, beginning January 1,*  
 1689 *2008, the governing bodies of the Counties of Isle of Wight, James City, and York and the Cities of*  
 1690 *Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Suffolk, Virginia Beach, and Williamsburg*  
 1691 *are authorized to charge an additional annual license fee in the amount of \$10 for all vehicles for*  
 1692 *which the locality is authorized to collect an annual license fee.*

1693 B. *Any and all fees imposed pursuant to this section shall be collected by the Department of Motor*  
 1694 *Vehicles at the time the vehicle is registered with the Department or when its registration is renewed.*  
 1695 *Each fee shall be denominated by the Department as the "Hampton Roads Improvement Fee." All such*  
 1696 *fees shall be remitted by the Comptroller on a monthly basis to the Hampton Roads Transportation*  
 1697 *Authority to be used for the purposes set forth in § 33.1-391.16. The Commissioner shall maintain*  
 1698 *records of the fee imposed and collected and the locality and address where each vehicle is registered.*

1699 § 46.2-755.2. *Additional initial license fees in certain localities.*

1700 *In addition to taxes and license fees imposed pursuant to § 46.2-752 and to all other taxes and fees*  
 1701 *permitted by law, and subject to the limitations contained in § 33.1-391.17, beginning January 1, 2008,*  
 1702 *the governing bodies of the Counties of Isle of Wight, James City, and York and the Cities of*  
 1703 *Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Suffolk, Virginia Beach, and Williamsburg*  
 1704 *are authorized to charge an additional initial, one-time license fee on all vehicles for which the locality*  
 1705 *is authorized to collect an annual license fee, at the rate of 1% of the retail value of the vehicle*  
 1706 *according to the National Automobile Dealers Association at the time the vehicle is first registered in*  
 1707 *the locality by the owner of the vehicle. License fees authorized by this section shall be imposed only*  
 1708 *once, so long as the ownership of the vehicle upon which they are imposed remains unchanged. The*  
 1709 *locality shall exempt from such fee any vehicle for which a fee under this section previously has been*  
 1710 *paid, and any vehicle that was registered in another locality having the authority to impose the fee*  
 1711 *under this section, immediately prior to registering the vehicle in another locality having the authority*  
 1712 *to impose the fee under this section.*

1713 *All such additional license fees shall be paid to and collected by the Department of Motor Vehicles,*  
 1714 *and shall not be collectable or collected by any licensed dealer at the time of the sale of any vehicle.*

1715 *Any and all fees collected by the Department of Motor Vehicles under this section shall be*  
 1716 *designated by the Department as the "Hampton Roads Transportation Initial Registration Fee" and shall*  
 1717 *be remitted by the Comptroller on a monthly basis to the Hampton Roads Transportation Authority to*

be used for the purposes as set forth in § 33.1-391.16. The Commissioner shall maintain records of the fee imposed and collected and the locality and address of where each vehicle is registered.

§ 46.2-1135. Liquidated damages for violation of weight limits.

A. Any person violating any weight limit as provided in this chapter or in any permit issued pursuant to Article 18 (§ 46.2-1139 et seq.) of this chapter by the Department or its designee or by local authorities pursuant to this chapter shall be assessed liquidated damages. The amount of those damages shall be:

Excess weight over the prescribed or permitted axle weight	Assessed amount per pound limit
<del>4,000 pounds or less</del>	<del>1 cent per pound</del>
<del>4,001 to 8,000 pounds</del>	<del>10 cents per pound</del>
<del>8,001 to 12,000 pounds</del>	<del>20 cents per pound</del>
<del>12,001 pounds or more</del>	<del>30 cents per pound</del>
2,000 pounds or less	1 cent per pound
2,001 to 4,000 pounds	3 cents per pound
4,001 to 8,000 pounds	12 cents per pound
8,001 to 12,000 pounds	22 cents per pound
12,001 pounds or more	35 cents per pound
Excess weight over the prescribed gross weight limit	Assessed amount per pound
<del>4,000 pounds or less</del>	<del>1 cent per pound</del>
<del>4,001 to 8,000 pounds</del>	<del>5 cents per pound</del>
<del>8,001 to 12,000 pounds</del>	<del>10 cents per pound</del>
<del>12,001 pounds or more</del>	<del>15 cents per pound</del>
2,000 pounds or less	1 cent per pound
2,001 to 4,000 pounds	3 cents per pound
4,001 to 8,000 pounds	7 cents per pound
8,001 to 12,000 pounds	12 cents per pound
12,001 pounds or more	20 cents per pound

All gross permit violations shall be assessed \$.20 per pound over the permitted weight limit.

In addition to all damages assessed herein, for every violation of any weight limit as provided in this chapter or in any permit issued pursuant to Article 18 (§ 46.2-1139 et seq.) of this chapter, there shall be assessed additional liquidated damages of \$20.

If a person has no prior violations under the motor vehicle weight laws, and the excess weight does not exceed 2,500/1,500 pounds, the general district court may waive the liquidated damages against such person. Except as provided by § 46.2-1138, such assessment shall be entered by the court or by the Department as a judgment for the Commonwealth, the entry of which shall constitute a lien upon the overweight vehicle. Except as provided by § 46.2-1138, such sums shall be paid to the Department or collected by the attorney for the Commonwealth and forwarded to the State Treasurer and allocated to the fund appropriated for the construction and maintenance of state highways.

B. If the gross weight of the vehicle exceeds lawful limits by at least 25 percent but no more than 50 percent, the amount of the liquidated damages shall be two times the amount provided for in the foregoing provisions of this section; if the gross weight of the vehicle exceeds lawful limits by more than 50 percent, the amount of the liquidated damages shall be three times the amount provided for in the foregoing provisions of this section. The provisions of this subsection shall not apply to pickup or panel trucks.

C. The increases in the liquidated damages under subsection A pursuant to enactments of the 2007 Session of the General Assembly shall not be applicable to any motor vehicle hauling forest products from the place where such products are first produced, cut, harvested, or felled to the location where they are first processed. Notwithstanding any other provision in this section, except as provided by § 46.2-1138, the revenues generated by the increases in the liquidated damages under this section pursuant to enactments of the 2007 Session of the General Assembly shall be paid to the Department or collected by the attorney for the Commonwealth and forwarded to the State Treasurer and deposited



1777 into the into the Transportation Trust Fund and used according to § 33.1-23.03:10.. For the revenues  
1778 paid to the Department, the Commissioner of the Department shall make such written certifications as  
1779 are necessary for the Comptroller to make the required deposit into the Commonwealth Transportation  
1780 Capital Projects Fund as soon as practicable.

1781 § 46.2-1167.1. Additional fee permitted in certain counties and cities.

1782 A. In addition to all other charges and and fees permitted by law, and subject to the limitations  
1783 contained in § 33.1-391.17, beginning January 1, 2008, the governing bodies of the Counties of Isle of  
1784 Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk,  
1785 Portsmouth, Suffolk, Virginia Beach, and Williamsburg are authorized to charge an additional fee at the  
1786 time of inspection in the amount of \$10 for all vehicles for which an amount is permitted to be charged  
1787 for inspection pursuant to § 46.2-1167.

1788 B. Any and all fees imposed pursuant to this section shall be collected by the official safety  
1789 inspection station at the time of inspection and shall be remitted on a monthly basis to the appropriate  
1790 to the Hampton Roads Transportation Authority to be used for the purposes set forth in § 33.1-391.16  
1791 The official safety inspection station shall maintain records of the fees imposed and collected.

1792 § 58.1-540. Levy of the tax.

1793 A. Any county having a population of more than 500,000, as determined by the 1980 U. S. Census,  
1794 any county or city adjacent thereto, and any city contiguous to such an adjacent county or city, or any  
1795 city with a population of at least 265,000, is hereby authorized to levy a local income tax at any  
1796 increment of one-quarter percent up to a maximum rate of one percent upon the Virginia taxable income  
1797 as determined in § 58.1-322 for an individual, § 58.1-361 for a fiduciary of an estate or trust, or  
1798 § 58.1-402 for a corporation, for each taxable year of every resident of such county or city or  
1799 corporation having income from sources within such county or city, subject to the limitations of  
1800 subsection B of this section. The same rate shall apply to individuals, fiduciaries and corporations.

1801 B. The authority to levy a local income tax as provided in subsection A may be exercised by a  
1802 county or city governing body only if (i) the county or city is not imposing any of the taxes and fees  
1803 authorized pursuant to subsection B of § 46.2-332, and §§ 46.2-755.1, 46.2-755.2, 58.1-802.1,  
1804 58.1-2402.1, 58.1-2402.2, 58.1-3221.2, 58.1-3221.3, and 58.1-3825.2, and (ii) approved in a referendum  
1805 within the county or city. The referendum shall be held in accordance with § 24.2-684. The referendum  
1806 may be initiated either by a resolution of the governing body of the county or city or on the filing of a  
1807 petition signed by a number of registered voters of the county or city equal in number to ten percent of  
1808 the number of voters registered in the county or city on January 1 of the year in which the petition is  
1809 filed with the circuit court of such county or city. The clerk of the circuit court shall publish notice of  
1810 the election in a newspaper of general circulation in the county or city once a week for three  
1811 consecutive weeks prior to the election. The ballot used shall be printed to read as follows:

1812 "Shall the governing body of (...name of county or city...) have the authority to levy a local income  
1813 tax of up to one percent for transportation purposes in accordance with § 58.1-540 of the Code of  
1814 Virginia?

1815 \_ Yes

1816 \_ No"

1817 If the voters by a majority vote approve the authority of the local governing body to levy a local  
1818 income tax, the tax may be imposed by the adoption of an ordinance by the governing body of the  
1819 county or city in accordance with general or special law, and the tax may be thereafter enacted,  
1820 modified or repealed as any other tax the governing body is empowered to levy subject only to the  
1821 limitations herein. No ordinance levying a local income tax shall be repealed unless and until all debts  
1822 or other obligations of the county or city to which such revenues are pledged or otherwise committed  
1823 have been paid or provision made for payment.

1824 § 58.1-605. To what extent and under what conditions cities and counties may levy local sales taxes;  
1825 collection thereof by Commonwealth and return of revenue to each city or county entitled thereto.

1826 A. No county, city or town shall impose any local general sales or use tax or any local general retail  
1827 sales or use tax except as authorized by this section.

1828 B. The council of any city and the governing body of any county may levy a general retail sales tax  
1829 at the rate of one percent to provide revenue for the general fund of such city or county. Such tax shall  
1830 be added to the rate of the state sales tax imposed by §§ 58.1-603 and 58.1-604 and shall be subject to  
1831 all the provisions of this chapter and the rules and regulations published with respect thereto. No  
1832 discount under § 58.1-622 shall be allowed on a local sales tax.

1833 C. The council of any city and the governing body of any county desiring to impose a local sales tax  
1834 under this section may do so by the adoption of an ordinance stating its purpose and referring to this  
1835 section, and providing that such ordinance shall be effective on the first day of a month at least 60 days  
1836 after its adoption. A certified copy of such ordinance shall be forwarded to the Tax Commissioner so  
1837 that it will be received within five days after its adoption.

1838 D. Any local sales tax levied under this section shall be administered and collected by the Tax

Commissioner in the same manner and subject to the same penalties as provided for the state sales tax.

E. All local sales tax moneys collected by the Tax Commissioner under this section shall be paid into the state treasury to the credit of a special fund which is hereby created on the Comptroller's books under the name "Collections of Local Sales Taxes." Such local sales tax moneys shall be credited to the account of each particular city or county levying a local sales tax under this section. The basis of such credit shall be the city or county in which the sales were made as shown by the records of the Department and certified by it monthly to the Comptroller, namely, the city or county of location of each place of business of every dealer paying the tax to the Commonwealth without regard to the city or county of possible use by the purchasers. If a dealer has any place of business located in more than one political subdivision by reason of the boundary line or lines passing through such place of business, the amount of sales tax paid by such a dealer with respect to such place of business shall be treated for the purposes of this section as follows: one-half shall be assignable to each political subdivision where two are involved, one-third where three are involved, and one-fourth where four are involved.

F. As soon as practicable after the local sales tax moneys have been paid into the state treasury in any month for the preceding month, the Comptroller shall draw his warrant on the Treasurer of Virginia in the proper amount in favor of each city or county entitled to the monthly return of its local sales tax moneys, and such payments shall be charged to the account of each such city or county under the special fund created by this section. If errors are made in any such payment, or adjustments are otherwise necessary, whether attributable to refunds to taxpayers, or to some other fact, the errors shall be corrected and adjustments made in the payments for the next six months as follows: one-sixth of the total adjustment shall be included in the payments for the next six months. In addition, the payment shall include a refund of amounts erroneously not paid to the city or county and not previously refunded during the three years preceding the discovery of the error. A correction and adjustment in payments described in this subsection due to the misallocation of funds by the dealer shall be made within three years of the date of the payment error.

G. Such payments to counties are subject to the qualification that in any county wherein is situated any incorporated town constituting a special school district and operated as a separate school district under a town school board of three members appointed by the town council, the county treasurer shall pay into the town treasury for general governmental purposes the proper proportionate amount received by him in the ratio that the school age population of such town bears to the school age population of the entire county. If the school age population of any town constituting a separate school district is increased by the annexation of territory since the last preceding school age population census, such increase shall, for the purposes of this section, be added to the school age population of such town as shown by the last such census and a proper reduction made in the school age population of the county or counties from which the annexed territory was acquired.

H. One-half of such payments to counties are subject to the further qualification, other than as set out in subsection G above, that in any county wherein is situated any incorporated town not constituting a separate special school district which has complied with its charter provisions providing for the election of its council and mayor for a period of at least four years immediately prior to the adoption of the sales tax ordinance, the county treasurer shall pay into the town treasury of each such town for general governmental purposes the proper proportionate amount received by him in the ratio that the school age population of each such town bears to the school age population of the entire county, based on the latest statewide school census. The preceding requirement pertaining to the time interval between compliance with election provisions and adoption of the sales tax ordinance shall not apply to a tier-city. If the school age population of any such town not constituting a separate special school district is increased by the annexation of territory or otherwise since the last preceding school age population census, such increase shall, for the purposes of this section, be added to the school age population of such town as shown by the last such census and a proper reduction made in the school age population of the county or counties from which the annexed territory was acquired.

I. Notwithstanding the provisions of subsection H, the board of supervisors of a county may, in its discretion, appropriate funds to any incorporated town not constituting a separate school district within such county which has not complied with the provisions of its charter relating to the elections of its council and mayor, an amount not to exceed the amount it would have received from the tax imposed by this chapter if such election had been held.

J. It is further provided that if any incorporated town which would otherwise be eligible to receive funds from the county treasurer under subsection G or H of this section be located in a county which does not levy a general retail sales tax under the provisions of this law, such town may levy a general retail sales tax at the rate of one percent to provide revenue for the general fund of the town, subject to all the provisions of this section generally applicable to cities and counties. Any tax levied under the authority of this subsection shall in no case continue to be levied on or after the effective date of a county ordinance imposing a general retail sales tax in the county within which such town is located.

1900 *K. Notwithstanding the other provisions of this chapter, beginning January 1, 2008, subject to the*  
1901 *limitations contained in § 33.1-391.17, the governing bodies of the Counties of Isle of Wight, James*  
1902 *City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Suffolk,*  
1903 *Virginia Beach, and Williamsburg may, by ordinance, impose a retail sales tax at the rate of 5 percent*  
1904 *on the charges for the repair of motor vehicles that are exempt from taxation under subsection B of this*  
1905 *section and under subsection A of 58.1-606, provided that the governing body of the locality*  
1906 *appropriates the revenues collected from such fee to the Hampton Roads Transportation Authority*  
1907 *established under § 33.1-391.7.*

1908 § 58.1-606. To what extent and under what conditions cities and counties may levy local use tax;  
1909 collection thereof by Commonwealth and return of revenues to the cities and counties.

1910 A. The council of any city and the governing body of any county which has levied or may hereafter  
1911 levy a city or county sales tax under § 58.1-605 may levy a city or county use tax at the rate of one  
1912 percent to provide revenue for the general fund of such city or county. Such tax shall be added to the  
1913 rate of the state use tax imposed by this chapter and shall be subject to all the provisions of this chapter,  
1914 and all amendments thereof, and the rules and regulations published with respect thereto, except that no  
1915 discount under § 58.1-622 shall be allowed on a local use tax.

1916 B. The council of any city and the governing body of any county desiring to impose a local use tax  
1917 under this section may do so in the manner following:

1918 1. If the city or county has previously imposed the local sales tax authorized by § 58.1-605, the local  
1919 use tax may be imposed by the council or governing body by the adoption of a resolution by a majority  
1920 of all the members thereof, by a recorded yea and nay vote, stating its purpose and referring to this  
1921 section, and providing that the local use tax shall become effective on the first day of a month at least  
1922 60 days after the adoption of the resolution. A certified copy of such resolution shall be forwarded to  
1923 the Tax Commissioner so that it will be received within five days after its adoption. The resolution  
1924 authorized by this paragraph may be adopted in the manner stated notwithstanding any other provision  
1925 of law, including any charter provision.

1926 2. If the city or county has not imposed the local sales tax authorized by § 58.1-605, the local use  
1927 tax may be imposed by ordinance together with the local sales tax in the manner set out in subsections  
1928 B and C of § 58.1-605.

1929 C. Any local use tax levied under this section shall be administered and collected by the Tax  
1930 Commissioner in the same manner and subject to the same penalties as provided for the state use tax.

1931 D. The local use tax authorized by this section shall not apply to transactions to which the sales tax  
1932 applies, the situs of which for state and local sales tax purposes is the city or county of location of each  
1933 place of business of every dealer paying the tax to the Commonwealth without regard to the city or  
1934 county of possible use by the purchasers. However, the local use tax authorized by this section shall  
1935 apply to tangible personal property purchased without this Commonwealth for use or consumption  
1936 within the city or county imposing the local use tax, or stored within the city or county for use or  
1937 consumption, where the property would have been subject to the sales tax if it had been purchased  
1938 within this Commonwealth. The local use tax shall also apply to leases or rentals of tangible personal  
1939 property where the place of business of the lessor is without this Commonwealth and such leases or  
1940 rentals are subject to the state tax. Moreover, the local use tax shall apply in all cases in which the state  
1941 use tax applies.

1942 E. Out-of-state dealers who hold certificates of registration to collect the use tax from their customers  
1943 for remittance to this Commonwealth shall, to the extent reasonably practicable, in filing their monthly  
1944 use tax returns with the Tax Commissioner, break down their shipments into this Commonwealth by  
1945 cities and counties so as to show the city or county of destination. If, however, the out-of-state dealer is  
1946 unable accurately to assign any shipment to a particular city or county, the local use tax on the tangible  
1947 personal property involved shall be remitted to the Commonwealth by such dealer without attempting to  
1948 assign the shipment to any city or county.

1949 F. Local use tax revenue shall be distributed among the cities and counties for which it is collected,  
1950 respectively, as shown by the records of the Department, and the procedure shall be the same as that  
1951 prescribed for distribution of local sales tax revenue under § 58.1-605. The local use tax revenue that is  
1952 not accurately assignable to a particular city or county shall be distributed monthly by the appropriate  
1953 state authorities among the cities and counties in this Commonwealth imposing the local use tax upon  
1954 the basis of taxable retail sales in the respective cities and counties in which the local sales and use tax  
1955 was in effect in the taxable month involved, as shown by the records of the Department, and computed  
1956 with respect to taxable retail sales as reflected by the amounts of the local sales tax revenue distributed  
1957 among such cities and counties, respectively, in the month of distribution. Notwithstanding any other  
1958 provision of this section, the Tax Commissioner shall develop a uniform method to distribute local use  
1959 tax. Any significant changes to the method of local use tax distribution shall be phased in over a  
1960 five-year period. Distribution information shall be shared with the affected localities prior to  
1961 implementation of the changes.

G. All local use tax revenue shall be used, applied or disbursed by the cities and counties as provided in § 58.1-605 with respect to local sales tax revenue.

K. Notwithstanding the other provisions of this chapter, beginning January 1, 2008, subject to the limitations contained in § 33.1-391.17, the governing bodies of the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Suffolk, Virginia Beach, and Williamsburg may, by ordinance, impose a use tax at the rate of 5 percent on the charges for the repair of motor vehicles that are exempt from taxation under subsection A of this section and under subsection A of 58.1-606, provided that the governing body of the locality appropriates the revenues collected from such fee to the Hampton Roads Transportation Authority established under § 33.1-391.7.

§ 58.1-802.1. Northern Virginia congestion relief fee.

A. Beginning January 1, 2008, in addition to any other tax imposed under the provisions of this chapter, the governing body of each of the counties and cities that are included in the Northern Virginia Transportation Authority established pursuant to § 15.2-4830 may impose a fee, delineated as the "Northern Virginia congestion relief fee," on each deed, instrument, or writing by which lands, tenements, or other realty is sold and is granted, assigned, transferred, or otherwise conveyed to or vested in the purchaser or any other person, by such purchaser's direction. The rate of the tax, when the consideration or value of the interest equals or exceeds \$100, shall be \$0.40 for each \$100 or fraction thereof, exclusive of the value of any lien or encumbrance remaining thereon at the time of the sale, whether such lien is assumed or the realty is sold subject to such lien or encumbrance.

The fee imposed by this section shall be paid by the grantor, or any person who signs on behalf of the grantor, of any deed, instrument, or writing subject to the fee imposed by this section.

No such deed, instrument, or other writing shall be admitted to record without certification of the clerk of the court wherein first recorded having been affixed thereto that the fee imposed by this section has been paid. The clerk shall include within the certificate the amount of such fee collected thereon.

B. All revenues generated by the fee imposed pursuant to this section shall be appropriated to the Northern Virginia Transportation Authority and used according to the provisions of § 15.2-4838.1.

C. Fees imposed by this section shall be collected as provided in § 58.1-812.

D. No locality imposing the fee pursuant to this section shall cease to impose such fee so long as the Northern Virginia Transportation Authority (i) is currently engaged in a transportation project within the boundaries of the locality, (ii) has entered into a binding commitment to begin a transportation project within the boundaries of the locality, or (iii) has issued bonds or incurred other evidence of debt that has not been satisfied or paid in full and that relates to a transportation project undertaken by the Authority within the boundaries of the locality.

§ 58.1-802.2. Additional tax authorized in certain localities.

A. Beginning January 1, 2008, in addition to any other tax imposed under the provisions of this chapter, the governing body of the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Suffolk, Virginia Beach, and Williamsburg may impose a fee, on each deed, instrument, or writing by which lands, tenements, or other realty is sold and is granted, assigned, transferred, or otherwise conveyed to or vested in the purchaser or any other person, by such purchaser's direction. The rate of the tax, when the consideration or value of the interest equals or exceeds \$100, shall be \$0.30 for each \$100 or fraction thereof, exclusive of the value of any lien or encumbrance remaining thereon at the time of the sale, whether such lien is assumed or the realty is sold subject to such lien or encumbrance.

The fee imposed by this section shall be paid by the grantor, or any person who signs on behalf of the grantor, of any deed, instrument, or writing subject to the fee imposed by this section.

No such deed, instrument, or other writing shall be admitted to record without certification of the clerk of the court wherein first recorded having been affixed thereto that the fee imposed by this section has been paid. The clerk shall include within the certificate the amount of such fee collected thereon.

B. The governing body of the locality imposing the fee under this section shall appropriate the revenues collected from such fee to the Hampton Roads Transportation Authority established under § 33.1-391.7.

C. Fees imposed by this section shall be collected as provided in § 58.1-812.

§ 58.1-2217. Taxes levied; rate.

A. There is hereby levied a tax at the rate of seventeen and one-half cents per gallon on gasoline and gasohol.

B. There is hereby levied a tax at the rate of ~~sixteen~~ seventeen and one-half cents per gallon on diesel fuel.

C. Blended fuel that contains gasoline shall be taxed at the rate levied on gasoline. Blended fuel that contains diesel fuel shall be taxed at the rate levied on diesel fuel.

D. There is hereby levied a tax at the rate of five cents per gallon on aviation gasoline. Any person,

whether or not licensed under this chapter, who uses, acquires for use, sells or delivers for use in highway vehicles any aviation gasoline shall be liable for the tax at the rate of seventeen and one-half cents per gallon, along with any penalties and interest that may accrue.

E. There is hereby levied a tax at the rate of five cents per gallon on aviation jet fuel purchased or acquired for use by a user of aviation fuel other than an aviation consumer. There is hereby levied a tax at the rate of five cents per gallon upon the first 100,000 gallons of aviation jet fuel, excluding bonded aviation jet fuel, purchased or acquired for use by any aviation consumer in any fiscal year. There is hereby levied a tax at the rate of one-half cent per gallon on all aviation jet fuel, excluding bonded aviation jet fuel, purchased or acquired for use by an aviation consumer in excess of 100,000 gallons in any fiscal year. Any person, whether or not licensed under this chapter, who uses, acquires for use, sells or delivers for use in highway vehicles any aviation jet fuel taxable under this chapter shall be liable for the tax imposed at the rate of ~~sixteen~~ *seventeen and one-half* cents per gallon, along with any penalties and interest that may accrue.

F. In accordance with § 62.1-44.34:13, a storage tank fee is imposed on each gallon of gasoline, aviation gasoline, diesel fuel (including dyed diesel fuel), blended fuel, and heating oil sold and delivered or used in the Commonwealth.

§ 58.1-2249. Tax on alternative fuel.

A. There is hereby levied a tax at the rate of ~~sixteen~~ *seventeen and one-half* cents per gallon on liquid alternative fuel used to operate a highway vehicle by means of a vehicle supply tank that stores fuel only for the purpose of supplying fuel to operate the vehicle. There is hereby levied a tax at a rate equivalent to ~~sixteen~~ *seventeen and one-half* cents per gallon on all other alternative fuel used to operate a highway vehicle. The Commissioner shall determine the equivalent rate applicable to such other alternative fuels.

B. In addition to any tax imposed by this article, there is hereby levied an annual license tax of fifty dollars per vehicle on each highway vehicle that is fueled from a private source if the alternative fuels tax levied under this article has not been paid on fuel used in the vehicle. If such a highway vehicle is not in operation by January 1 of any year, the license tax shall be reduced by one-twelfth for each complete month which shall have elapsed since the beginning of such year.

§ 58.1-2289. Disposition of tax revenue generally.

A. ~~Unless~~*Except as* otherwise provided *subsection F and elsewhere* in this section, all taxes and fees, including civil penalties, collected by the Commissioner pursuant to this chapter, less a reasonable amount to be allocated for refunds, shall be promptly paid into the state treasury and shall constitute special funds within the Commonwealth Transportation Fund. Any balances remaining in these funds at the end of the year shall be available for use in subsequent years for the purposes set forth in this chapter, and any interest income on such funds shall accrue to these funds. Except as provided in § 33.1-23.03:1, no portion of the revenue derived from taxes collected pursuant to §§ 58.1-2217, 58.1-2249 or § 58.1-2701, and remaining after authorized refunds for nonhighway use of fuel, shall be used for any purpose other than the construction, reconstruction or maintenance of the roads and projects comprising the State Highway System, the Interstate System and the secondary system of state highways and expenditures directly and necessarily required for such purposes, including the retirement of revenue bonds.

~~Revenues~~*Except as provided in subsection F, revenues* collected under this chapter may be also used for (i) contributions toward the construction, reconstruction or maintenance of streets in cities and towns of such sums as may be provided by law and (ii) expenditures for the operation and maintenance of the Department of Transportation, the Department of Rail and Public Transportation, the Department of Aviation, the Virginia Port Authority, and the Department of Motor Vehicles as may be provided by law.

The Governor is hereby authorized to transfer out of such fund an amount necessary for the inspection of gasoline and motor grease measuring and distributing equipment, and for the inspection and analysis of gasoline for purity.

B. ~~The~~*Except as provided in subsection F, the* tax collected on each gallon of aviation fuel sold and delivered or used in this Commonwealth, less refunds, shall be paid into a special fund of the state treasury. Proceeds of this special fund within the Commonwealth Transportation Fund shall be disbursed upon order of the Department of Aviation, on warrants of the Comptroller, to defray the cost of the administration of the laws of this Commonwealth relating to aviation, for the construction, maintenance and improvement of airports and landing fields to which the public now has or which it is proposed shall have access, and for the promotion of aviation in the interest of operators and the public generally.

C. One-half cent of the tax collected on each gallon of fuel on which ~~the~~ a refund has been paid at ~~the rate of seventeen cents per gallon, or in the case of diesel fuel, fifteen and one-half cents per gallon for gasoline, gasohol, diesel fuel, blended fuel, and alternative fuel,~~ for fuel consumed in tractors and unlicensed equipment used for agricultural purposes shall be paid into a special fund of the state treasury, known as the Virginia Agricultural Foundation Fund, to be disbursed to make certain refunds

and defray the costs of the research and educational phases of the agricultural program, including supplemental salary payments to certain employees at Virginia Polytechnic Institute and State University, the Department of Agriculture and Consumer Services and the Virginia Truck and Ornamentals Research Station, including reasonable expenses of the Virginia Agricultural Council.

D. One and one-half cents of the tax collected on each gallon of fuel used to propel a commercial watercraft upon which a refund has been paid shall be paid to the credit of the Game Protection Fund of the state treasury to be made available to the Board of Game and Inland Fisheries until expended for the purposes provided generally in subsection C of § 29.1-701, including acquisition, construction, improvement and maintenance of public boating access areas on the public waters of this Commonwealth and for other activities and purposes of direct benefit and interest to the boating public and for no other purpose. However, one and one-half cents per gallon on fuel used by commercial fishing, oystering, clamming, and crabbing boats shall be paid to the Department of Transportation to be used for the construction, repair, improvement and maintenance of the public docks of this Commonwealth used by said commercial watercraft. Any expenditures for the acquisition, construction, improvement and maintenance of the public docks shall be made according to a plan developed by the Virginia Marine Resources Commission.

From the tax collected pursuant to the provisions of this chapter from the sales of gasoline used for the propelling of watercraft, after deduction for lawful refunds, there shall be paid into the state treasury for use by the Marine Resources Commission, the Virginia Soil and Water Conservation Board, the State Water Control Board, and the Commonwealth Transportation Board to (i) improve the public docks as specified in this section, (ii) improve commercial and sports fisheries in Virginia's tidal waters, (iii) make environmental improvements including, without limitation, fisheries management and habitat enhancement in the Chesapeake and its tributaries, and (iv) further the purposes set forth in § 33.1-223, a sum as established by the General Assembly.

E. Notwithstanding other provisions of this section, there shall be transferred from moneys collected pursuant to this section to a special fund within the Commonwealth Transportation Fund in the state treasury, to be used to meet the necessary expenses of the Department of Motor Vehicles, an amount equal to one percent of a sum to be calculated as follows: the tax revenues collected pursuant to this chapter, at the tax rates in effect on December 31, 1986, less refunds authorized by this chapter and less taxes collected for aviation fuels.

*F. The net additional revenues, as determined by the Commissioner, generated by increases in the rate of taxes under this chapter pursuant to enactments of the 2007 Session of the General Assembly shall be deposited by the Comptroller into the Transportation Trust Fund and be used according to § 33.1-23.03:10.*

*The Commissioner shall provide a monthly certification to the Comptroller reporting such net additional revenues generated in the preceding month. The certification for each month shall be provided to the Comptroller no later than the twentieth of the immediately following month. The Comptroller shall make the required deposits into the Transportation Trust Fund for each month's revenues no later than the last day of the immediately following month.*

*§ 58.1-2402.1. Local rental car transportation fee.*

*A. Beginning January 1, 2008, in addition to all other taxes, fees, and other charges imposed under law, the governing body of a county or city that is included in the Northern Virginia Transportation Authority established pursuant to § 15.2-4830, may, by ordinance, impose a fee of 2% of the gross proceeds on the rental in the locality of any daily rental vehicle regardless of whether such vehicle is required to be licensed in the Commonwealth. The fee shall not be levied upon a rental to a person for re-rental as an established business or part of an established business or incidental or germane to such business.*

*B. The governing body of any locality imposing the fee pursuant to this section shall appropriate the revenues collected to the Northern Virginia Transportation Authority and the revenues shall be used according to the provisions of § 15.2-4838.1.*

*C. No locality imposing the fee pursuant to this section shall cease to impose such fee so long as the Northern Virginia Transportation Authority (i) is currently engaged in a transportation project within the boundaries of the locality, (ii) has entered into a binding commitment to begin a transportation project within the boundaries of the locality, or (iii) has issued bonds or incurred other evidence of debt that has not been satisfied or paid in full and that relates to a transportation project undertaken by the Authority within the boundaries of the locality.*

*D. Any and all fees imposed pursuant to this section shall be collected by the Department of Motor Vehicles. The Commissioner shall maintain records of the fee imposed and collected by vehicle and the locality.*

*E. The fee imposed pursuant to the authority granted under this section shall be implemented, enforced, and collected in the same manner that rental taxes under this chapter are implemented,*

2146 *enforced, and collected.*

2147 *§ 58.1-2402.2. Local rental car transportation impact fee.*

2148 *A. Beginning January 1, 2008, in addition to all other taxes, fees, and other charges imposed under*  
2149 *law, and subject to the limitations contained in § 33.1-391.17, the governing bodies of the Counties of*  
2150 *Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk,*  
2151 *Portsmouth, Suffolk, Virginia Beach, and Williamsburg may, by ordinance, impose a fee of 2% of the*  
2152 *gross proceeds on the rental in the locality of any daily rental vehicle regardless of whether such*  
2153 *vehicle is required to be licensed in the Commonwealth, provided that the governing body of the locality*  
2154 *appropriates the revenues collected from such fee to the Hampton Roads Transportation Authority*  
2155 *established under § 33.1-391.7. The fee shall not be levied upon a rental to a person for re-rental as an*  
2156 *established business or part of an established business, or incidental or germane to such business.*

2157 *B. The fee imposed pursuant to the authority granted under this section shall be implemented,*  
2158 *enforced, and collected in the same manner that rental taxes under this chapter are implemented,*  
2159 *enforced, and collected.*

2160 *C. Any and all fees imposed pursuant to this section shall be collected by the Department of Motor*  
2161 *Vehicles and shall be remitted by the Comptroller on a monthly basis to the Hampton Roads*  
2162 *Transportation Authority to be used for the purposes as set forth in § 33.1-391.16. The Commissioner*  
2163 *shall maintain records of the fee imposed and collected and the locality and address of each vehicle*  
2164 *registered.*

2165 *§ 58.1-2403. Exemptions.*

2166 *No tax shall be imposed as provided in § 58.1-2402, 58.1-2402.1, or 58.1-2402.2 if the vehicle is:*

2167 *1. Sold to, rented or used by the United States government or any governmental agency thereof;*  
2168 *2. Sold to, rented or used by the Commonwealth of Virginia or any political subdivision thereof;*  
2169 *3. Registered in the name of a volunteer fire department or rescue squad not operated for profit;*  
2170 *4. Registered to any member of the Mattaponi, Pamunkey, or Chickahominy Indian tribes or any*  
2171 *other recognized Indian tribe of the Commonwealth living on the tribal reservation;*

2172 *5. Transferred incidental to repossession under a recorded lien and ownership is transferred to the*  
2173 *lienholder;*

2174 *6. A manufactured home permanently attached to real estate and included in the sale of real estate;*

2175 *7. A gift to the spouse, son, or daughter of the transferor. With the exception of a gift to a spouse,*  
2176 *this exemption shall not apply to any unpaid obligation assumed by the transferee incidental to the*  
2177 *transfer;*

2178 *8. Transferred from an individual or partnership to a corporation or limited liability company or from*  
2179 *a corporation or limited liability company to an individual or partnership if the transfer is incidental to*  
2180 *the formation, organization or dissolution of a corporation or limited liability company in which the*  
2181 *individual or partnership holds the majority interest;*

2182 *9. Transferred from a wholly owned subsidiary to the parent corporation or from the parent*  
2183 *corporation to a wholly owned subsidiary;*

2184 *10. Being registered for the first time in this Commonwealth and the applicant holds a valid,*  
2185 *assignable title or registration issued to him by another state or a branch of the United States Armed*  
2186 *Forces and (i) has owned the vehicle for longer than 12 months or (ii) has owned the vehicle for less*  
2187 *than 12 months and provides evidence of a sales tax paid to another state. However, when a vehicle has*  
2188 *been purchased by the applicant within the last 12 months and the applicant is unable to provide*  
2189 *evidence of a sales tax paid to another state, the applicant shall pay the Virginia sales tax based on the*  
2190 *fair market value of the vehicle at the time of registration in Virginia;*

2191 *11. Titled in a Virginia or non-Virginia motor vehicle dealer's name for resale;*

2192 *12. A motor vehicle having seats for more than seven passengers and sold to an urban or suburban*  
2193 *bus line the majority of whose passengers use the buses for traveling a distance of less than 40 miles,*  
2194 *one way, on the same day;*

2195 *13. Purchased in the Commonwealth by a nonresident and a Virginia title is issued for the sole*  
2196 *purpose of recording a lien against the vehicle if the vehicle will be registered in a state other than*  
2197 *Virginia;*

2198 *14. A motor vehicle designed for the transportation of 10 or more passengers, purchased by and for*  
2199 *the use of a church conducted not for profit;*

2200 *15. Loaned or leased to a private nonprofit institution of learning, for the sole purpose of use in the*  
2201 *instruction of driver's education when such education is a part of such school's curriculum for full-time*  
2202 *students;*

2203 *16. Sold to an insurance company or local government group self-insurance pool, created pursuant to*  
2204 *§ 15.2-2703, for the sole purpose of disposition when such company has paid the registered owner of*  
2205 *such vehicle a total loss claim;*

2206 *17. Owned and used for personal or official purposes by accredited consular or diplomatic officers of*  
2207 *foreign governments, their employees or agents, and members of their families, if such persons are*



nationals of the state by which they are appointed and are not citizens of the United States;

18. A self-contained mobile computerized axial tomography scanner sold to, rented or used by a nonprofit hospital or a cooperative hospital service organization as described in § 501 (e) of the United States Internal Revenue Code;

19. A motor vehicle having seats for more than seven passengers and sold to a restricted common carrier or common carrier of passengers;

20. Beginning July 1, 1989, a self-contained mobile unit designed exclusively for human diagnostic or therapeutic service, sold to, rented to, or used by a nonprofit hospital, or a cooperative hospital service organization as described in § 501 (e) of the United States Internal Revenue Code, or a nonprofit corporation as defined in § 501 (c) (3) of the Internal Revenue Code, established for research in, diagnosis of, or therapy for human ailments;

21. Transferred, as a gift or through a sale to an organization exempt from taxation under § 501 (c) (3) of the Internal Revenue Code, provided the motor vehicle is not titled and tagged for use by such organization;

22. A motor vehicle sold to an organization which is exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and which is organized for the primary purpose of distributing food, clothing, medicines and other necessities of life to, and providing shelter for, needy persons in the United States and throughout the world;

23. A truck, tractor truck, trailer, or semitrailer, as severally defined in § 46.2-100, except trailers and semitrailers not designed or used to carry property and vehicles registered under § 46.2-700, with a gross vehicle weight rating or gross combination weight rating of 26,001 pounds or more, in which case no tax shall be imposed pursuant to subdivisions 1 and 3 of subsection A of § 58.1-2402;

24. Transferred to the trustees of a revocable inter vivos trust, when the individual titleholder of a Virginia titled motor vehicle and the beneficiaries of the trust are the same persons, regardless of whether other beneficiaries of the trust may also be named in the trust instrument, when no consideration has passed between the titleholder and the beneficiaries; and transferred to the original titleholder from the trustees holding title to the motor vehicle;

25. Transferred to trustees of a revocable inter vivos trust, when the owners of the vehicle and the beneficiaries of the trust are the same persons, regardless of whether other beneficiaries may also be named in the trust instrument, or transferred by trustees of such a trust to beneficiaries of the trust following the death of the grantor, when no consideration has passed between the grantor and the beneficiaries in either case;

26. Sold by a vehicle's lessor to its lessee upon the expiration of the term of the vehicle's lease, if the lessee is a natural person and this natural person has paid the tax levied pursuant to this chapter with respect to the vehicle when he leased it from the lessor, and if the lessee presents an original copy of the lease upon request of the Department of Motor Vehicles or other evidence that the sales tax has been paid to the Commonwealth by the lessee purchasing the vehicle; or

27. Titled in the name of a deceased person and transferred to the spouse or heir, or under the will, of such deceased person.

§ 58.1-2531. *Distribution of certain revenue.*

*A. Beginning with the Commonwealth's 2008-2009 fiscal year and for each fiscal year thereafter, an amount equal to one-third of all revenues collected by the Commission in the most recently ended fiscal year from the tax imposed under this chapter shall be deposited by the Comptroller first, as needed, to the Priority Transportation Fund established under § 33.1-23.03:8 to be used to offset the estimated current fiscal year debt service payment requirements of the Transportation Trust Fund established under § 33.1-23.03:1 attributable to Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes. Any remaining moneys shall be deposited into the Commonwealth Transportation Capital Projects Fund established under § 58.1-2532.*

*B. For purposes of the Comptroller's deposits under this section, the Commissioner of the Bureau of Insurance shall, no later than July 15 of each year, provide a written certification to the Comptroller that reports one-third of all revenues collected by the Commission in the most recently ended fiscal year from the tax imposed under this chapter. After such one-third of all revenues have been deposited into the proper Funds as provided in subsection A, all remaining revenues from the tax imposed under this chapter shall be deposited into the general fund of the state treasury. The Comptroller shall make all deposits under this section as soon as practicable.*

§ 58.1-2532. *Commonwealth Transportation Capital Projects Bond Debt Service Fund created.*

*A. There is hereby created in the state treasury a special nonreverting fund that shall be a part of the Transportation Trust Fund and that shall be known as the Commonwealth Transportation Capital Projects Bond Debt Service Fund, hereafter referred to as "the Fund." The Fund shall be established on the books of the Comptroller. The Fund shall consist of deposits pursuant to § 58.1-2531 and shall include such other funds as may be appropriated by the General Assembly from time to time and*

designated for the Fund and all interest, dividends, and appreciation that may accrue thereto. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes stated in this section. The Fund shall be administered by the Commonwealth Transportation Board. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the chairman of the Board or his designee.

B. The Commonwealth Transportation Board shall allocate and distribute all revenues of the Fund received in the fiscal year solely to pay any debt service for Commonwealth of Virginia Transportation Capital Projects Revenue Bonds as described in subdivision 4 f of § 33.1-269.

§ 58.1-2701. Amount of tax.

A. Except as provided in subsection B, every motor carrier shall pay a road tax equivalent to ~~nineteen and one-half~~ twenty-one cents per gallon calculated on the amount of motor fuel, diesel fuel or liquefied gases (which would not exist as liquids at a temperature of sixty degrees Fahrenheit and a pressure of 14.7 pounds per square inch absolute), used in its operations within the Commonwealth.

The tax imposed by this chapter shall be in addition to all other taxes of whatever character imposed on a motor carrier by any other provision of law.

B. In lieu of the tax imposed in subsection A, motor carriers registering qualified highway vehicles that are not registered under the International Registration Plan shall pay a fee of ~~\$100~~ \$150 per year for each qualified highway vehicle. The fee is due and payable when the vehicle registration fees are paid pursuant to the provisions of Article 7 (§ 46.2-685 et seq.) of Chapter 6 of Title 46.2.

If a vehicle becomes a qualified highway vehicle before the end of its registration period, the fee due at the time the vehicle becomes a qualified highway vehicle shall be prorated monthly to the registration expiration month. Fees paid under this subsection shall not be refunded unless a full refund of the registration fee paid is authorized by law.

C. All taxes and fees paid under the provisions of this chapter shall be credited to the Highway Maintenance and Operating Fund, a special fund within the Commonwealth Transportation Fund.

§ 58.1-2706. Credit for payment of motor fuel, diesel fuel or liquefied gases tax.

A. Every motor carrier subject to the road tax shall be entitled to a credit on such tax equivalent to ~~sixteen~~ seventeen and one-half cents per gallon on all motor fuel, diesel fuel and liquefied gases purchased by such carrier within the Commonwealth for use in its operations either within or without the Commonwealth and upon which the motor fuel, diesel fuel or liquefied gases tax imposed by the laws of the Commonwealth has been paid by such carrier. Evidence of the payment of such tax in such form as may be required by, or is satisfactory to, the Department shall be furnished by each carrier claiming the credit herein allowed.

B. When the amount of the credit to which any motor carrier is entitled for any quarter exceeds the amount of the tax for which such carrier is liable for the same quarter, the excess may: (i) be allowed as a credit on the tax for which such carrier would be otherwise liable for any of the eight succeeding quarters or (ii) be refunded, upon application, duly verified and presented and supported by such evidence as may be satisfactory to the Department.

C. The Department may allow a refund upon receipt of proper application and review. It shall be at the discretion of the Department to determine whether an audit is required.

D. The refund may be allowed without a formal hearing if the amount of refund is agreed to by the applicant. Otherwise, a formal hearing on the application shall be held by the Department after notice of not less than ten days to the applicant and the Attorney General.

E. Whenever any refund is ordered it shall be paid out of the Highway Maintenance and Construction Fund.

F. Whenever a person operating under lease to a motor carrier to perform transport services on behalf of the carrier purchases motor fuel, diesel fuel or liquefied gases relating to such services, such payments or purchases may, at the discretion of the Department, be considered payment or purchases by the carrier.

§ 58.1-3221.2. Classification of commercial real property in certain localities; transportation impact commercial real property tax.

A. Beginning January 1, 2008, solely for the purposes of imposing the tax authorized pursuant to this section, in the counties and cities that are included in the Northern Virginia Transportation Authority established pursuant to § 15.2-4830, real estate used for commercial or industrial purposes is hereby declared to be a separate class of property. Real estate used for commercial or industrial purposes does not include real estate for which no permit for use has been issued for occupancy of any premises for commercial use. For purposes of this section, real property that is zoned to permit multiunit residential use that is primarily leased or rented to residential tenants of other occupants by an owner who is engaged in such a business shall be deemed to be property in commercial use. In addition to all other taxes and fees permitted by law, the governing body of any such locality may, by

ordinance, declare the entire locality a special regional transportation tax district and impose a transportation impact commercial real property tax at the rate of 0.25% of the fair market value of such property.

B. The governing body of any locality imposing the additional tax imposed pursuant to this section shall appropriate the additional revenue generated to the Northern Virginia Transportation Authority and the revenue shall be used according to the provisions of § 15.2-4838.1.

C. No locality imposing the tax pursuant to this section shall cease to impose such tax so long as the Northern Virginia Transportation Authority (i) is engaged in a transportation project within the boundaries of the locality, (ii) has entered into a binding commitment to begin a transportation project within the boundaries of the locality, or (iii) has issued bonds or incurred other evidence of debt that has not been satisfied or paid in full and that relates to a transportation project undertaken by the Authority within the boundaries of the locality.

D. The tax imposed pursuant to the authority granted under this section shall be administered, enforced, and collected in the same manner as set forth in Subtitle III of Title 58.1 for the administration, enforcement, and collection of local taxes.

§ 58.1-3221.3. Classification of commercial real property in certain localities; transportation impact commercial real property tax.

Solely for the purposes of imposing the tax authorized pursuant to this section, in the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Suffolk, Virginia Beach, and Williamsburg, commercial real estate is hereby declared to be a separate class of property solely for the purpose of funding regional transportation improvements pursuant to § 15.2-4838.1. As used in this section "commercial real estate" means any real estate other than (i) real estate containing one to four residential units, (ii) real estate on which no buildings are located, or (iii) real estate classified for assessment purposes under the provisions of Article 4 (§ 58.1-3230 et seq.) of Chapter 32 of Title 58.1. Commercial real estate shall not include single family residential units, including condominiums, townhouses, apartments or homes in a subdivision when leased on a unit by unit basis even though these units may be part of a larger building or parcel of real estate containing more than four residential units.

In addition to all other taxes and fees permitted by law, the governing body of any such locality may, by ordinance, declare the entire locality a special regional transportation tax district and impose a transportation impact commercial real property tax at the rate of 0.2% of the fair market value of such property; provided that the governing body of the locality appropriates the revenues collected from such to the Hampton Roads Transportation Authority established under § 33.1-391.7.

The tax imposed pursuant to the authority granted under this section shall be administered, enforced, and collected in the same manner as set forth in Subtitle III of Title 58.1 for the administration, enforcement, and collection of local taxes.

**2. That the Commonwealth Transportation Board is authorized to issue bonds to fund transportation projects throughout the Commonwealth as follows:**

§ 1. Title. This act shall be known and may be cited as the "Commonwealth Transportation Capital Projects Bond Act of 2007."

§ 2. The Commonwealth Transportation Board is hereby authorized, by and with the consent of the Governor, to issue, pursuant to the provisions of the State Revenue Bond Act (§ 33.1-267 et seq. of the Code of Virginia) as amended from time to time, revenue obligations of the Commonwealth to be designated "Commonwealth Transportation Capital Projects Notes, Series .." at one or more times in an aggregate principal amount not to exceed \$2,000,000,000, after all costs; provided that the aggregate principal amount issued in any one fiscal year shall not exceed \$300,000,000, excluding any refunding bonds. If the aggregate principal amount issued in any fiscal year is less than \$300,000,000, then the amount by which such issuance is less than \$300,000,000 may be issued in a subsequent fiscal year in addition to the \$300,000,000 authorized in the subsequent fiscal year.

§ 3. The net proceeds of the Notes shall be used exclusively for the purpose of providing funds for paying the costs incurred or to be incurred for construction or funding of transportation projects pursuant to § 33.1-234.01 of the Code of Virginia, including but not limited to environmental and engineering studies, rights-of-way acquisition, improvements to all modes of transportation, acquisition, construction and related improvements, and any financing costs and other financing expenses. Such costs may include the payment of interest on the Notes for a period during construction and not exceeding one year after completion of construction of the projects.

§ 4. The proceeds of the Notes, including any premium received on the sale thereof, shall be made available by the Commonwealth Transportation Board to pay costs of the projects and, where appropriate, may be paid to any authority, locality, commission, or other entity for the purposes of paying for costs of the projects. The proceeds of the Notes may be used together with any federal, local, or private funds that may be made available for such purpose. The proceeds of the Notes, together with

2392 any investment earnings thereon, may, at the discretion of the Commonwealth Transportation Board,  
2393 secure the payment of principal or purchase price of and redemption premium, if any, and interest on  
2394 the Notes.

2395 § 5. The terms and structure of each issue of the Notes shall be determined by the Commonwealth  
2396 Transportation Board, subject to approval by the Treasury Board in accordance with § 2.2-2416 of the  
2397 Code of Virginia, as amended. The Notes of each issue shall be dated; shall be issued in a principal  
2398 amount (subject to the limitations set forth in § 1); shall bear interest at such rate or rates, which may  
2399 be fixed, adjustable, variable or a combination thereof and may be determined by a formula or other  
2400 method; shall mature at such time or times not exceeding 20 years after the issuance thereof; and may  
2401 be made subject to purchase or redemption before their maturity or maturities, at such price or prices  
2402 and under such terms and conditions, all as may be determined by the Commonwealth Transportation  
2403 Board. The Commonwealth Transportation Board shall determine the form of the Notes, whether the  
2404 Notes are certificated or uncertificated, and fix the authorized denomination or denominations of the  
2405 Notes and the place or places of payment of principal or purchase price of, and redemption premium, if  
2406 any, and interest on the Notes, which may be at the office of the State Treasurer or any bank or trust  
2407 company within or without the Commonwealth. The principal or purchase price of, and redemption  
2408 premium, if any, and interest on the Notes shall be made payable in lawful money of the United States  
2409 of America. Each issue of the Notes may be issued under a system of book entry for recording the  
2410 ownership and transfer of ownership of rights to receive payments of principal or purchase price of and  
2411 redemption premium, if any, and interest on such Notes. All Notes shall have and are hereby declared  
2412 to have, as between successive holders, all of the qualities and incidents of negotiable instruments under  
2413 the negotiable instruments law of the Commonwealth.

2414 The Commonwealth Transportation Board may sell the Notes from time to time at public or private  
2415 sale, by competitive bidding, negotiated sale, or private placement, for such price or prices as it may  
2416 determine to be in the best interests of the Commonwealth.

2417 § 6. The Notes shall be signed on behalf of the Commonwealth Transportation Board by the  
2418 chairman or vice-chairman of the Commonwealth Transportation Board, or shall bear the facsimile  
2419 signature of such officer, and shall bear the official seal of the Board, which shall be attested to by the  
2420 manual or facsimile signature of the secretary or assistant secretary of the Commonwealth  
2421 Transportation Board. In the event that the Notes shall bear the facsimile signature of the chairman or  
2422 vice-chairman of the Commonwealth Transportation Board, such Notes shall be signed by such  
2423 administrative assistant as the chairman of the Transportation Board shall determine or by any  
2424 registrar/paying agent who may be designated by the Commonwealth Transportation Board. In case any  
2425 officer whose signature or a facsimile of whose signature appears on any Notes shall cease to be such  
2426 officer before the delivery of such Notes, such signature or facsimile signature nevertheless shall be  
2427 valid and sufficient for all purposes as if such officer had remained in office until such delivery.

2428 § 7. All expenses incurred under this Act or in connection with the issuance of the Notes shall be  
2429 paid from the proceeds of such Notes or from any available funds as the Commonwealth Transportation  
2430 Board shall determine.

2431 § 8. The Commonwealth Transportation Board is hereby authorized to borrow money at such rate or  
2432 rates through the execution and issuance of the Notes for the same, but only in the following  
2433 circumstances and under the following conditions:

2434 a. In anticipation of the sale of the Notes, the issuance of which shall have been authorized by the  
2435 Commonwealth Transportation Board and shall have been approved by the Governor, if the  
2436 Commonwealth Transportation Board shall deem it advisable to postpone the issuance of such Notes; or

2437 b. For the renewal of any anticipation notes herein authorized.

2438 § 9. The proceeds of the Notes and of any anticipation notes herein authorized (except the proceeds  
2439 of the Notes the issuance of which has been anticipated by such anticipation notes) shall be placed by  
2440 the State Treasurer in a special fund in the state treasury, or may be placed with a trustee in  
2441 accordance with § 33.1-283 of the Code of Virginia, as amended, and shall be disbursed only for the  
2442 purpose for which such Notes and such anticipation notes shall be issued; provided, however, that  
2443 proceeds derived from the sale of the Notes herein authorized shall be first used in the payment of any  
2444 anticipation notes that may have been issued in anticipation of the sale of such Notes and any renewals  
2445 of such Notes. The proceeds of the Notes and of any anticipation notes herein authorized, together with  
2446 any investment earnings thereon, shall not be taken into account in computing, and shall be in addition  
2447 to funds allocated pursuant to the highway allocation formula set forth in § 33.1-23.1 of the Code of  
2448 Virginia, as amended.

2449 § 10. The Commonwealth Transportation Board is hereby authorized to receive any other funds that  
2450 may be made available to pay costs of the projects and, subject to appropriation, to make available the  
2451 same to the payment of the principal or purchase price of, and redemption premium, if any, and interest  
2452 on the Notes authorized hereby and to enter into the appropriate agreements to allow for those funds to  
2453 be paid into the state treasury, or to a trustee in accordance with § 33.1-283 of the Code of Virginia, as

amended, to pay a part of the costs of the projects or to pay principal or purchase price of, and redemption premium, if any, and interest on the Notes.

§ 11. The Commonwealth Transportation Board, in connection with the issuance of the Notes, shall establish a fund in accordance with § 33.1-286 of the Code of Virginia, as amended, either in the state treasury or with a trustee in accordance with § 33.1-283 of the Code of Virginia, as amended, which shall secure and be used for the payment of the Notes to the credit of which there shall be deposited such amounts, appropriated therefor by the General Assembly, as are required to pay principal or purchase price of, and redemption premium, if any, and interest on the Notes, as and when due and payable, (i) first from revenues in the Commonwealth Transportation Capital Projects Fund pursuant to § 58.1-2532 of the Code of Virginia; (ii) then, at the discretion of the Commonwealth Transportation Board, to the extent required, from legally available revenues of the Transportation Trust Fund; and (iii) then from such other funds, if any, that may be designated by the General Assembly for such purpose.

§ 12. Note proceeds and moneys in any reserve funds and sinking funds in respect of the Notes 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 by a trustee in accordance with § 33.1-283 of the Code of Virginia, as amended.

§ 13. The interest income from and any profit made on the sale of the obligations 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 obligations issued under the provisions of this Act are hereby made securities in which all persons and entities listed in § 33.1-280 of the Code of Virginia, as amended, may properly and legally invest funds under their control.

3. That the revenues generated by the provisions of this act shall not be used to calculate or reduce the share of local, federal, and state revenues otherwise available to participating jurisdictions. Further, such revenues and moneys shall not be included in any computation of, or formula for, a locality's ability to pay for public education, upon which appropriations of state revenues to local governments for public education are determined.

4. That prior to December 1 each year beginning 2008, the Washington Metropolitan Transit Authority shall submit to the Auditor of Public Accounts its annual audit report and financially audited statements for the most recent fiscal year.

5. That each governing body of a county or city adopting by ordinance any of the fees authorized under subsection B of § 46.2-332, or §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.1, 58.1-802.2, 58.1-2402.1, 58.1-2402.2, 58.1-3221.3, and 58.1-3221.2 of the Code of Virginia shall provide a copy of the ordinance to the Clerk of the House of Delegates and the Clerk of the Senate as soon as practicable.

6. That each county or city that imposes any of the fees authorized pursuant to subsection B of § 46.2-332, or §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.1, 58.1-802.2, 58.1-2402.1, 58.1-2402.2, 58.1-3221.3, and 58.1-3221.2 of the Code of Virginia pursuant to the provisions of this act shall for each fiscal year in which it imposes such tax expend or disburse for transportation purposes an amount (computed without regard to any revenues generated in the fiscal year from such taxes) that is at least equal to the total amount expended or disbursed for transportation purposes by the county or city in its fiscal year that began in calendar year 2006.

7. That each county or city that imposes the fees pursuant to subsection B of § 46.2-332, or §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.1, 58.1-802.2, 58.1-2402.1, 58.1-2402.2, 58.1-3221.3, and 58.1-3221.2 of the Code of Virginia pursuant to the provisions of this act shall for each fiscal year in which it imposes such tax expend or disburse for transportation purposes an amount (computed without regard to any revenues generated in the fiscal year from such taxes) that is at least equal to the total amount expended or disbursed for transportation purposes by the county or city in its fiscal year that began in calendar year 2006.

8. That, if the Hampton Roads Transportation Authority becomes effective January 1, 2008, pursuant to the sixth enactment of this act, the Authority shall also develop as part of a long-range transportation plan performance measures for Hampton Roads relating to, but not limited to, transportation congestion reduction, transit and high-occupancy vehicle (HOV) usage, job/housing ratios, job and housing access to transit and pedestrian facilities, air quality, and per-capita vehicle miles traveled.

9. That the local transportation fees authorized under this act pursuant to §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.2, 58.1-2402.2, and 58.1-3221.3 of the Code of Virginia shall be levied and imposed by the applicable local governing body only if such local governing body first convenes a public hearing informing the public of its intention to adopt such fees and adopts an ordinance, on or before December 31, 2007, to be effective January 1, 2008,

2515 that also indicates the local governing body is joining the Hampton Roads Transportation  
2516 Authority and designates the member of the local governing body that shall serve on the  
2517 Authority.

2518 10. That the provisions of this act amending § 58.1-609.14, and sections numbered 33.1-391.6  
2519 through 33.1-391.17, and by adding §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-802.2,  
2520 58.1-2402.2, and 58.1-3221.3 are effective January 1, 2008, and only if the requirements of the  
2521 ninth enactment of this act are met by the governing bodies of at least six localities.

2522 11. That \$339 million in Item 449.10 of Chapter 3 of the Acts of Assembly of the 2006 Special  
2523 Session I of the General Assembly shall be transferred to the Transportation Partnership  
2524 Opportunity Fund to advance the construction of critical highway, rail, and port projects.  
2525 Notwithstanding the limitations of subsections A and E of § 33.1-221.1:8, the Governor shall  
2526 provide sufficient grants and loans to advance critical highway, rail, and port projects constructed  
2527 pursuant to § 33.1-12, Chapter 22 ( § 56-556 et seq.) of Title 55.6, or § 62.1-132.6 of the Code of  
2528 Virginia. At the discretion of the Governor, up to \$65 million may be transferred from the  
2529 Transportation Partnership Opportunity Fund to the Rail Enhancement Fund and \$15 million  
2530 from the Transportation Partnership Opportunity Fund to the Commonwealth Port Fund,  
2531 provided that the Governor notifies the Chairmen of the Senate Finance and House  
2532 Appropriations Committees in writing at least thirty days in advance of the transfer.

2533 12. That \$250 million each fiscal year beginning July 1, 2008, is appropriated and shall be  
2534 transferred each fiscal year from the general fund and deposited into the Transportation Trust  
2535 Fund and used according to § 33.1-23.03:10.

2536 13. That the provisions of this act providing for the General Assembly to elect members of the  
2537 Commonwealth Transportation Board shall not affect members of the Board appointed prior to  
2538 July 1, 2007.

2539 14. That the Virginia Department of Transportation, with the advice and consent of the  
2540 Commonwealth Transportation Board, shall, on or before January 1, 2009, reconsider and  
2541 reassign the various highways, bridges, and other facilities comprising the state primary,  
2542 secondary, and urban highway systems so that the assignment of components to such systems is  
2543 based, to the maximum degree practicable, solely upon the components' functional classification.

2544 15. That the Virginia Department of Transportation shall, on or before January 1, 2008, submit a  
2545 written report to the General Assembly on its plans to create opportunities to enhance mobility  
2546 and free-flowing traffic on Department-controlled toll facilities by embracing technological  
2547 advances.

2548 16. That nothing in this act shall be construed to prohibit any county or city that imposes any of  
2549 the fees authorized pursuant to subsection B of § 46.2-332, or §§ 46.2-332.1, 46.2-755.1, 46.2-755.2,  
2550 46.2-1167.1, 58.1-609.14, 58.1-802.1, 58.1-802.2, 58.1-2402.1, 58.1-2402.2, 58.1-3221.3, and  
2551 58.1-3221.2, pursuant to the provisions of this act, from reducing or repealing any other fees or  
2552 taxes.

2553 17. That the tenth enactment clauses of Chapter 1019 and Chapter 1044 of the Acts of Assembly  
2554 of 2000 are repealed effective July 1, 2008.

2555 18. That counties shall have until July 1, 2011, to amend their comprehensive plans in accordance  
2556 with the provisions of § 15.2-2223.1 of the Code of Virginia pursuant to this act.

2557 19. That should any portion of this act be held unconstitutional by a court of competent  
2558 jurisdiction, the remaining portions of this act shall remain in effect.

2559 20. That of the \$227 million in general fund revenue that exceeds the official revenue forecast in  
2560 the appropriation act enacted by the 2006 Special Session I of the General Assembly, \$64 million  
2561 shall be deposited into the Transportation Trust Fund, and the remaining \$163 million shall be  
2562 deposited into the Commonwealth Transportation Capital Projects Debt Service Fund established  
2563 under § 58.1-2532.

2564 21. That the Speaker of the House and Majority Leader of the Senate shall appoint a joint  
2565 subcommittee to identify ways to cut expenses in the operation of state government The joint  
2566 subcommittee shall conduct a systematic review of the effectiveness of state programs and make  
2567 recommendations to the General Assembly. The joint subcommittee's review shall include ways  
2568 agencies may operate more economically and efficiently; ways in which agencies can provide better  
2569 services to the Commonwealth and its citizens; and areas in which functions of state agencies are  
2570 duplicative or overlapping, fail to accomplish legislative objectives, or for any other reason should  
2571 be redefined.

2572 22. That the fees collected pursuant to § 46.2-206.1 in the fiscal year ending June 30, 2008, shall  
2573 be deposited and held in a special fund in the state treasury and transferred on August 15, 2008,  
2574 to the Transportation Trust Fund and used according to § 33.1-23.03:10.