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HOUSE BILL NO. 3202

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Joint Conference Committee
on February 24, 2007)

(Patron Prior to Substitute—Delegate Howell, W.J.)

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, 33.1-67, 33.1-72.1, 33.1-221.1:1, 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, 58.1-609.5, 58.1-811, 58.1-2403, and 58.1-2425 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 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, 46.2-702.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-625.1, 58.1-802.1, 58.1-802.2, 58.1-815.01, and 58.1-815.02, by adding in Chapter 17 of Title 58.1 an article numbered 4.1, consisting of sections numbered 58.1-1724.2 through 58.1-1724.7, by adding sections numbered 58.1-2402.1 and 58.1-2402.2, by adding in Article 2 of Chapter 25 of Title 58.1 a section numbered 58.1-2531, and by adding sections numbered 58.1-3221.2, 58.1-3221.3, and 58.1-3825.1; 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, 33.1-67, 33.1-72.1, 33.1-221.1:1, 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, 58.1-609.5, 58.1-811, 58.1-2403, and 58.1-2425 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Chapter 17 of Title 58.1 an article numbered 4.1, consisting of sections numbered 58.1-1724.2 through 58.1-1724.7, 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 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, 46.2-702.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-625.1, 58.1-802.1, 58.1-802.2, 58.1-815.01, and 58.1-815.02, by adding in Chapter 17 of Title 58.1 an article numbered 4.1, consisting of sections numbered 58.1-1724.2 through 58.1-1724.7, by adding sections numbered 58.1-2402.1 and 58.1-2402.2, by adding in Article 2 of Chapter 25 of Title 58.1 a section numbered 58.1-2531, and by adding sections numbered 58.1-3221.2, 58.1-3221.3, and 58.1-3825.1 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)

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60 operating expense reappropriations pursuant to the general appropriation act, and (b) reappropriations of
61 unexpended appropriations to certain public institutions of higher education pursuant to § 2.2-5005, (v)
62 pro rata rebate payments to certain public institutions of higher education pursuant to § 2.2-5005, (vi)
63 the unappropriated balance anticipated in the general appropriation act for the end of such fiscal year,
64 and (vii) interest payments on deposits of certain public institutions of higher education pursuant to
65 § 2.2-5005 are set aside. The Comptroller shall set aside amounts required for clauses (iv) (b), (v), and
66 (vii) beginning with the initial fiscal year as determined under § 2.2-5005 and for all fiscal years
67 thereafter.

68 C. The Governor shall include in "The Budget Bill" pursuant to § 2.2-1509 recommended
69 appropriations from the general fund or recommended amendments to general fund appropriations in the
70 general appropriation act in effect at that time an amount for nonrecurring expenditures *and an amount*
71 *for deposit into the Transportation Trust Fund* equal to the ~~amount~~ amounts designated by the
72 Comptroller for such ~~purpose~~ purposes pursuant to the provisions of subsection B of this section.

73 § 10.1-1188. State agencies to submit environmental impact reports on major projects.

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

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

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

- 86 1. The environmental impact of the major state project, including the impact on wildlife habitat;
- 87 2. Any adverse environmental effects which cannot be avoided if the major state project is
88 undertaken;
- 89 3. Measures proposed to minimize the impact of the major state project;
- 90 4. Any alternatives to the proposed construction; and
- 91 5. Any irreversible environmental changes which would be involved in the major state project.

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

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

103 § 15.2-2223.1. *Comprehensive plan to include urban development areas; new urbanism.*

104 A. Every county that has adopted zoning pursuant to Article 7 (§ 15.2-2280 et seq.) of Chapter 22 of
105 Title 15.2, if such locality is located within the Northern Virginia, Richmond-Petersburg, or Winchester
106 Metropolitan Statistical Areas; has a population of at least 20,000; and has population growth of 15%
107 or more from the next to latest to the latest decennial census year, based on population reported by the
108 United States Bureau of the Census, shall, and any other county, or any city or town may, amend its
109 comprehensive plan to incorporate one or more proposed urban development areas. For purposes of
110 this section, an urban development area is an area designated by a locality that is appropriate for
111 higher density development due to proximity to transportation facilities, the availability of a public or
112 community water and sewer system, or proximity to a city, town, or other developed area. The
113 comprehensive plan shall provide for commercial and residential densities within urban development
114 areas that are appropriate for reasonably compact development at a density of at least four residential
115 units per gross acre or a density at least three times greater than the area outside the urban
116 development area and a minimum floor area ratio of 0.4 per gross acre for commercial development.
117 The comprehensive plan shall designate one or more urban development areas sufficient to meet
118 projected residential and commercial growth in the locality for the ensuing 20-year period which may
119 include phasing of development within the urban development areas. Future growth shall be based on
120 the projections of the Virginia Employment Commission. The boundaries and size of each urban
121 development area shall be reexamined and revised every five years in conjunction with the update of the

comprehensive plan and in accordance with the most recent available population growth projections. Such districts may be areas designated for redevelopment or infill development.

B. The comprehensive plan shall further incorporate principles of new urbanism and traditional neighborhood development, which may include but need not be limited to (i) pedestrian-friendly road 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, (vi) mixed-use neighborhoods, including mixed housing types, (vii) the reduction of front and side yard building setbacks, and (viii) the reduction of subdivision street widths and turning radii at subdivision street intersections.

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 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; however, the definition of "public facilities" for counties within the Richmond-Petersburg MSA shall be deemed to include: roads, streets, and bridges, including rights-of-way, traffic signals, landscaping, and any local components of federal or state highways.

§ 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,

183 including but not limited to water supply, sewerage, garbage removal and disposal, heat, light,
184 fire-fighting equipment and power and gas systems and sidewalks; economic development services;
185 promotion of business and retail development services; beautification and landscaping; beach and
186 shoreline management and restoration; control of infestations of insects that may carry a disease that is
187 dangerous to humans, gypsy moths, cankerworms or other pests identified by the Commissioner of the
188 Department of Agriculture and Consumer Services in accordance with the Virginia Pest Law
189 (§ 3.1-188.20 et seq.); public parking; extra security, street cleaning, snow removal and refuse collection
190 services; sponsorship and promotion of recreational and cultural activities; upon petition of over 50
191 percent of the property owners who own not less than 50 percent of the property to be served,
192 construction, maintenance, and general upkeep of streets and roads that are not under the operation and
193 jurisdiction of the Virginia Department of Transportation; *construction, maintenance, and general upkeep*
194 *of streets and roads through creation of urban transportation service districts created pursuant to*
195 *§ 15.2-2403.1;* and other services, events, or activities that will enhance the public use and enjoyment of
196 and the public safety, public convenience, and public well-being within a service district. Such services,
197 events, or activities shall not be undertaken for the sole or dominant benefit of any particular individual,
198 business or other private entity.

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

211 3. To acquire in accordance with § 15.2-1800, any such facilities and equipment and rights, title,
212 interest or easements therefor in and to real estate in such district and maintain and operate the same as
213 may be necessary and desirable to provide the governmental services authorized by subdivisions 1 and
214 2.

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

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

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

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

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

9. To create and terminate a development board or other body to which shall be granted and assigned such powers and responsibilities with respect to a special service district as are delegated to it by ordinance adopted by the governing body of such locality or localities. Any such board or alternative body created shall be responsible for control and management of funds appropriated for its use by the 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. Notwithstanding subsection A, any county already maintaining its roads as of January 1, 2007, shall be entitled to the same per lane mile maintenance funding contained in subsection B for urban transportation service districts.

§ 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, 58.1-3221.2, and 58.1-3825.1 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 any allocation of such revenue.

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

A. 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 all of the fees and taxes pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, 58.1-3221.2,

306 and 58.1-3825.1.

307 B. Forty percent of the revenues shall be distributed to the localities imposing all of the fees and
308 taxes pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, 58.1-3221.2, and
309 58.1-3825.1 on a pro rata basis, with each locality's share being the total of such fees and taxes
310 received by the Authority that are generated or attributable to the locality divided by the total of such
311 fees and taxes received by the Authority. Of the revenues distributed pursuant to this subsection (i) in
312 the Cities of Falls Church and Alexandria and the County of Arlington the first 50 percent shall be used
313 solely for urban and secondary road construction and improvements or for public transportation
314 purposes in consultation with members of the General Assembly representing any locality which receives
315 such revenue, (ii) and in the remaining localities, the first 50 percent shall be used solely for urban and
316 secondary road construction and improvements in consultation with members of the General Assembly
317 representing any locality which receives such revenue. The remainder, as determined solely by the
318 applicable locality, shall be used either for additional urban and secondary road construction; for other
319 transportation capital improvements which have been approved by the most recent long range
320 transportation plan adopted by the Authority; or for public transit purposes. None of the revenue
321 distributed by this subsection may be used to repay debt issued before January 1, 2008. Each locality
322 shall provide annually to the Northern Virginia Transportation Authority sufficient documentation as
323 required by the Authority showing that the funds distributed under this subsection were used as required
324 by this subsection. The funds under this subsection shall be conditioned on the following:

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

327 2. That for any county imposing all of the fees and taxes pursuant to subsection B of § 46.2-332, and
328 §§ 58.1-802.1, 58.1-2402.1, 58.1-3221.2, and 58.1-3825.1, all state secondary road construction funding
329 due such county shall be transferred to such county, and the county shall assume full responsibility for
330 planning and constructing secondary roads pursuant to § 33.1-75.3. Such county may contract with the
331 Virginia Department of Transportation, or any other entity to aid in the planning and construction.

332 C. The remaining 60 percent of the revenues from such sources shall be used by the Authority solely
333 for transportation projects for the localities that are imposing all of the fees and taxes pursuant to
334 subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, 58.1-3221.2, and 58.1-3825.1, as
335 determined by the Authority in consultation with members of the governing bodies of the localities that
336 are imposing such fees and taxes pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1,
337 58.1-2402.1, 58.1-3221.2, and 58.1-3825.1, and members of the General Assembly representing any
338 locality imposing all of the fees and taxes pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1,
339 58.1-2402.1, 58.1-3221.2, and 58.1-3825.1, or as may be required by any other law, solely for
340 transportation projects for the localities that are imposing all of the fees and taxes pursuant to
341 subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, 58.1-3221.2, and 58.1-3825.1.

342 1. Notwithstanding any other provision of this chapter, the revenues under this subsection shall be
343 used first to pay any debt service owing on any bonds issued pursuant to § 15.2-4839, and then as
344 follows:

345 a. The next \$50 million each year shall be distributed to the Washington Metropolitan Area Transit
346 Authority (WMATA) and shall be used for capital improvements benefiting Virginia for WMATA's transit
347 service (Metro). The Authority shall make such annual distribution from such revenues only if the
348 County of Arlington and the City of Alexandria are imposing all of the fees and taxes pursuant to
349 subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, 58.1-3221.2, and 58.1-3825.1. The
350 Authority shall first make use of that portion of such annual distribution as may be necessary under the
351 requirements of federal law for the payment of federal funds to WMATA, but only if the matching
352 federal funds are exclusive of and in addition to the amount of other federal funds appropriated to the
353 Commonwealth for transportation and such other federal funds are in an amount not less than the
354 amount of such funds appropriated to the Commonwealth in the fiscal year ending June 30, 2007;

355 For each year after 2018 any portion of the amount distributed pursuant to this subsection may be
356 used for mass transit improvements in Prince William County, but only if Prince William County is
357 imposing all of the fees and taxes pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1,
358 58.1-2402.1, 58.1-3221.2, and 58.1-3825.1;

359 b. The next \$25 million each fiscal year shall be distributed to the Virginia Railway Express for
360 capital improvements, including but not limited to track lease payments, construction of parking,
361 dedicated rail on the Fredericksburg line, rolling stock, expanded service in Prince William County, and
362 service as may be needed as a result of the Base Realignment and Closure Commission regarding Fort
363 Belvoir. The Authority shall make such annual distribution from such revenues only if Prince William
364 County is imposing all of the fees and taxes pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1,
365 58.1-2402.1, 58.1-3221.2, and 58.1-3825.1;

366 c. Beginning at the time phase two of the Dulles Rail project begins construction, at least \$20
367 million shall be dedicated annually for the Dulles Rail project, but only if Loudoun County is imposing

all of the fees and taxes pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, 58.1-3221.2, and 58.1-3825.1;

d. The next \$2 million each fiscal year shall be distributed for Loudoun County transit service, but only if Loudoun County is imposing all of the fees and taxes pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, 58.1-3221.2, and 58.1-3825.1.

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 Authority 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 localities that are imposing all of the fees and taxes pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, 58.1-3221.2, and 58.1-3825.1, 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 by or under the direction of the Authority 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 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 *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 § 33.1-1. 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 ~~120~~ 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.

§ 33.1-67. 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 January 1, 2008, 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 meets the secondary street acceptance requirements pursuant to § 33.1-70.3.

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

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

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

J. Notwithstanding the foregoing provisions of this section, any local ordinance, or any provision of Title 15.2, on and after January 1, 2008, 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 meets the secondary street acceptance requirements pursuant to § 33.1-70.3.

§ 33.1-221.1:1. Fund for construction of industrial access railroad tracks.

A. The General Assembly declares it to be in the public interest that access railroad tracks and facilities be constructed to certain industrial commercial sites where rail freight service is or may be

needed by new or substantially expanded industry and that financial assistance be provided to areas seeking to furnish rail freight trackage between the normal limits of existing or proposed common carrier railroad tracks and facilities and the actual site of existing or proposed commercial or industrial buildings or facilities. This section is enacted in furtherance of these purposes and is intended to be comparable to the Industrial Access Roads Fund, established pursuant to § 33.1-221.

B. The funding for this program shall be *from the moneys deposited into the Fund pursuant to § 58.1-815.02 and as otherwise* set forth in the Appropriations Act.

C. The Director of the Department of Rail and Public Transportation shall administer and expend or commit, subject to the approval of the Commonwealth Transportation Board, such funds for constructing, reconstructing, or improving industrial access railroad tracks and related facilities. The Director of the Department of Rail and Public Transportation may consult with the Commissioner of Agriculture and Consumer Services and the Executive Director of the Virginia Economic Development Partnership, or their designated representatives, concerning applications for funds. Funds shall be spent directly by the Director of the Department of Rail and Public Transportation or by reimbursement of the local entities, private or public.

D. Funds may be used to construct, reconstruct, or improve part or all of the necessary tracks and related facilities on public or private property currently used or being developed, existent or prospective, for single industries or industrial subdivisions under firm contract or already constructed, including those subdivisions owned or promoted by railroad companies and others. Applications for funds must be approved by the local governing body.

E. In deciding whether to construct any such access track, the Commonwealth Transportation Board shall consider the cost thereof in relation to prospective volume of rail traffic, capital investment, potential employment, and other economic and public benefits. The Commonwealth Transportation Board shall adopt procedures to encourage widespread use of the funds, shall limit allocation of funds so that no county, city or town receives more than twenty-five percent of the funds in any one fiscal year unless there are not sufficient applications prior to May 1 of each year to use the available funds, and shall consider the practices of the Department of Transportation in distributing industrial access road funds under § 33.1-221.

F. Tracks and facilities constructed with such funds shall be the property of the Commonwealth for the useful life of the project as determined by the Director of the Department of Rail and Public Transportation and shall be made available for use by all common carriers using the railway system to which they connect. The landowners or using businesses shall, prior to the commitment of funds by the Director of the Department of Rail and Public Transportation, be contractually committed to the perpetual maintenance of such tracks and facilities so constructed and to the payment of any costs related to the future relocation or removal of such tracks and facilities.

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

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

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

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

§ 33.1-268. Definitions.

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

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

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

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

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

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

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

811 (f), (g) [Reserved.]

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

814 (i) [Reserved.]

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

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

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

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

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

834 (o), (p) [Repealed.]

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

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

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

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

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

855 (v) *Any project authorized by the General Assembly financed in whole or in part by funds from the*
856 *Commonwealth Transportation Capital Projects Fund established pursuant to § 58.1-815.01 or from the*
857 *proceeds of bonds whose debt service is paid in whole or in part by funds from such Fund.*

858 (3) The word "undertaking" means all of the projects authorized to be acquired or constructed under
859 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 financing herein authorized and the acquisition of the project and the placing of the project in operation.

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

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

(8) [Repealed.]

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

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

§ 33.1-269. General powers of Board.

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

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

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

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

4. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of Virginia Transportation Revenue Bonds," secured (i) by 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 have been appropriated by the General Assembly;

4a. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of Virginia Transportation Revenue Bonds," secured, 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

921 extent required, legally available revenues of the Transportation Trust Fund, and (iv) such other funds
922 which may be appropriated by the General Assembly;

923 4b. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of
924 Virginia Transportation Program Revenue Bonds" secured, subject to their appropriation by the General
925 Assembly, first from (i) any revenues received from any Set-aside Fund established by the General
926 Assembly pursuant to § 58.1-816.1, (ii) to the extent required, revenues received pursuant to any
927 contract with a local jurisdiction or any alternative mechanism for generation of local revenues for
928 specific funding of a project satisfactory to the Commonwealth Transportation Board, (iii) to the extent
929 required, funds appropriated and allocated, pursuant to the highway allocation formula as provided by
930 law, to the highway construction district in which the project or projects to be financed are located or to
931 the city or county in which the project or projects to be financed are located, (iv) to the extent required,
932 legally available revenues of the Transportation Trust Fund, and (v) such other funds which may be
933 appropriated by the General Assembly. No bonds for any project or projects shall be issued under the
934 authority of this subsection unless such project or projects are specifically included in a bill or resolution
935 passed by the General Assembly;

936 4c. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of
937 Virginia Transportation Program Revenue Bonds" secured, subject to their appropriation by the General
938 Assembly, first from (i) any revenues received from the Commonwealth Transit Capital Fund established
939 by the General Assembly pursuant to subdivision A 4 g of § 58.1-638, (ii) to the extent required, legally
940 available revenues of the Transportation Trust Fund, and (iii) such other funds which may be
941 appropriated by the General Assembly. No bonds for any project or projects shall be issued under the
942 authority of this subsection unless such project or projects are specifically included in a bill or resolution
943 passed by the General Assembly;

944 4d. Issue revenue bonds of the Commonwealth from time to time to be known and designated as
945 "Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes" secured, subject to
946 their appropriation by the General Assembly, (i) first from any federal highway reimbursements and any
947 other federal highway assistance received from time to time by the Commonwealth, (ii) then, at the
948 discretion of the Board, to the extent required, from legally available revenues of the Transportation
949 Trust Fund, and (iii) then from such other funds, if any, which are designated by the General Assembly
950 for such purpose;

951 4e. Issue revenue bonds of the Commonwealth from time to time to be known and designated as
952 "Commonwealth of Virginia Credit Assistance Revenue Bonds," secured, subject to their appropriation
953 by the General Assembly, solely from revenues with respect to or generated by the project or projects
954 being financed thereby and any tolls or other revenues pledged by the Board as security therefor and in
955 accordance with the applicable federal credit assistance authorized with respect to such project or
956 projects by the United States Department of Transportation;

957 4f. *Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of*
958 *Virginia Transportation Capital Projects Revenue Bonds," secured (i) from the revenues deposited into*
959 *the Commonwealth Transportation Capital Projects Fund pursuant to § 58.1-815.01; (ii) to the extent*
960 *required, from revenues legally available from the Transportation Trust Fund; and (iii) to the extent*
961 *required, from any other legally available funds;*

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

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

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

977 8. Make reasonable regulations for the installation, construction, maintenance, repair, renewal and
978 relocation of pipes, mains, sewers, conduits, cables, wires, towers, poles and other equipment and
979 appliances herein called "public utility facilities," of the Commonwealth and of any municipality, county,
980 or other political subdivision, public utility or public service corporation owning or operating the same
981 in, on, along, over or under the project. Whenever the Board determines that it is necessary that any
982 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 such municipality, county, or political subdivision. The Commonwealth or such municipality, county, political subdivision, public utility or public service corporation may maintain and operate such public utility facilities with the necessary appurtenances, in the new location or locations, for as long a period and upon the same terms and conditions as it had the right to maintain and operate such public utility facilities in their former location or locations;

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

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

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

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

§ 33.1-277. Credit of Commonwealth not pledged.

A. Commonwealth of Virginia Toll 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 faith and credit of the Commonwealth, but such bonds shall be payable solely from the funds herein provided therefor from tolls and revenues, from bond proceeds or earnings thereon and from any other available sources of funds. All such bonds shall state on their face that the Commonwealth of Virginia is not obligated to pay the same or the interest thereon except from the special fund provided therefor from tolls and revenues under this article, from bond proceeds or earnings thereon and from any other available sources of funds and that the faith and credit of the Commonwealth are not pledged to the payment of the principal or interest of such bonds. The issuance of such revenue bonds under the provisions of this article shall not directly or indirectly or contingently obligate the Commonwealth to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment, other than appropriate available funds derived as revenues from tolls and charges under this article or derived from bond proceeds or earnings thereon and from any other available sources of funds.

B. Commonwealth of Virginia Transportation Contract 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 faith and credit of the Commonwealth, but such bonds shall be payable solely from the funds herein provided therefor (i) from revenues received pursuant to contracts with a primary highway transportation district or transportation service district or any other alternative mechanism for generation of local revenues for specific funding of a project satisfactory to the Commonwealth Transportation Board, (ii) 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 or projects to be financed are located or to the county or counties in which such project or projects are located, (iii) from bond proceeds or earnings thereon, (iv) to the extent required, from other legally available revenues of the Trust Fund, and (v) from any other available source of funds. All such bonds shall state on their face that the Commonwealth of Virginia is not obligated to pay the same or the interest thereon except from

revenues in clauses (i) and (iii) hereof and that the faith and credit of the Commonwealth are not pledged to the payment of the principal and interest of such bonds. The issuance of such revenue bonds under the provisions of this article shall not directly or indirectly or contingently obligate the Commonwealth to levy or to pledge any form of taxation whatever or to make any appropriation for their payment, other than to appropriate available funds derived as revenues under this article from the sources set forth in clauses (i) and (iii) hereof. Nothing in this article shall be construed to obligate the General Assembly to make any appropriation of the funds set forth in clause (ii) or (iv) hereof for payment of such bonds.

C. Commonwealth of Virginia Transportation 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 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 Fund established pursuant to § 58.1-815.01; (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 Chesapeake Bay Bridge-Tunnel as described in § 33.1-391.12, pursuant to the conditions set forth in such section) constructed by the Authority or with funds provided in whole or in part by the Authority. The amount of any such toll may be varied from facility to facility, by lane, by congestion levels, by day of the week, time of day, type of vehicle, number of axles, or any similar combination thereof, and a reduced rate may be established for commuters as defined by the Authority. For purposes of this section, the Midtown and Downtown tunnels located within the Cities of Norfolk and Portsmouth shall be considered a single transportation facility and both facilities may be tolled if improvements are made to either tunnel. Any tolls imposed by the Authority shall be collected by an electronic toll system that, to the extent possible, shall not impede traffic flow. For all roads tolled by the Authority, there shall be signs erected prior to the point of toll collection that clearly state how the majority of the toll revenue for the particular road is being spent by the Authority.

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

The Authority shall consist of the following members: (i) one member of the local governing body of each of the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg, who shall serve with voting privileges; (ii) a member of the Commonwealth Transportation Board who resides in a county or city embraced by the Authority appointed by the Governor who shall serve ex officio without a vote; (iii) the Director of the Virginia Department of Rail and Public Transportation, or his designee, who shall serve ex officio without a vote; (iv) the Commonwealth Transportation Commissioner, or his designee, who shall serve ex officio without a vote; (v) two members of the Virginia House of Delegates who shall reside in a city or county set forth under clause (i), neither of whom shall reside in the same city or county, appointed by the Speaker of the House of Delegates; and (vi) one member of the Senate of Virginia who shall reside in a city or county set forth under clause (i), appointed by the Senate Committee on Rules. Each representative of a local governing body shall be appointed by a majority vote of the respective local governing body and shall be a member of the local governing body by which he is appointed. In the event that a member of the Authority who is appointed by a local governing body ceases to be a member of that local governing body, he may no longer serve as a member of the Authority. Members of the Authority appointed by local governing bodies shall serve for terms of four years and may be reappointed for one additional term of four years. Any member of the Authority appointed by a local governing body who is initially appointed to serve a term of less than three years may thereafter be appointed for two successive four-year terms. For the purpose of initial appointments and in order to provide for staggered terms, those members appointed by the City Council of the City of Hampton, the City Council of the City of Newport News, and the Board of Supervisors of James City County shall be appointed for terms of two years; those members who are appointed by the City Council of the City of Norfolk, the City Council of the City of Chesapeake, and the City Council of the City of Portsmouth shall be appointed for terms of three years; and the remaining representatives of local governing bodies shall be appointed for terms of four years. Legislative members shall serve terms coincident with their terms of office. Vacancies shall be filled by appointment for the unexpired term by the same process as used to make the original appointment.

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

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

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

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

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

The Authority shall have the following powers together with all powers incidental thereto or

1167 necessary for the performance of those hereinafter stated:

1168 1. To sue and be sued and to prosecute and defend, at law or in equity, in any court having
1169 jurisdiction of the subject matter and of the parties;

1170 2. To adopt and use a corporate seal and to alter the same at its pleasure;

1171 3. To procure insurance, participate in insurance plans, and provide self-insurance; however, the
1172 purchase of insurance, participation in an insurance plan, or the creation of a self-insurance plan by
1173 the Authority shall not be deemed a waiver or relinquishment of any sovereign immunity to which the
1174 Authority or its officers, directors, employees, or agents are otherwise entitled;

1175 4. To establish bylaws and make all rules and regulations, not inconsistent with the provisions of this
1176 chapter, deemed expedient for the management of the Authority's affairs;

1177 5. To apply for and accept money, materials, contributions, grants, or other financial assistance from
1178 the United States and agencies or instrumentalities thereof, the Commonwealth, and any political
1179 subdivision, agency, or instrumentality of the Commonwealth, and from any legitimate private source;

1180 6. To acquire real and personal property or any interest therein by purchase, lease, gift, or
1181 otherwise (and to the extent not inconsistent with the provisions of § 33.1-422) for purposes consistent
1182 with this chapter; and to hold, encumber, sell, or otherwise dispose of such land or interest for purposes
1183 consistent with this chapter;

1184 7. To acquire by purchase, lease, contract, or otherwise (and to the extent not inconsistent with the
1185 provisions of § 33.1-422), highways, bridges, tunnels, railroads, rolling stock, and transit and rail
1186 facilities and other transportation-related facilities; and to construct the same by purchase, lease,
1187 contract, or otherwise in the manner and to the extent not inconsistent with the provisions of the first
1188 paragraph of § 33.1-422;

1189 8. In coordination with the Commonwealth Transportation Board and with each city or county in
1190 which the facility or any part thereof is or is to be located, to repair, expand, enlarge, construct,
1191 reconstruct, or renovate any or all of the transportation facilities referred to in § 33.1-391.8, and to
1192 acquire any real or personal property needed for any such purpose;

1193 9. To enter into agreements or leases with public or private entities for the operation and
1194 maintenance of bridges, tunnels, transit and rail facilities, and highways;

1195 10. To make and execute contracts, deeds, mortgages, leases, and all other instruments and
1196 agreements necessary or convenient for the performance of its duties and the exercise of its powers and
1197 functions under this chapter;

1198 11. To the extent funds are made or become available to the Authority to do so, to employ
1199 employees, agents, advisors, and consultants, including without limitation, attorneys, financial advisers,
1200 engineers, and other technical advisers and, the provisions of any other law to the contrary
1201 notwithstanding, to determine their duties and compensation;

1202 12. The authority shall comply with the provisions governing localities contained in § 15.2-2108.23;
1203 and

1204 13. To the extent not inconsistent with the other provisions of this chapter, and without limiting or
1205 restricting the powers otherwise given the Authority, to exercise all of the powers given to
1206 transportation district commissions by §§ 15.2-4518 and 15.2-4519. The Authority shall only undertake
1207 those transportation projects that are currently included in the federally mandated 2030 Regional
1208 Transportation Plan approved by the Metropolitan Planning Organization, or any successive plan, and
1209 that are located in, or which provide a benefit to, the counties and cities that are members of the
1210 Authority, subject to the limitations related to those projects contained in this section.

1211 The Authority shall phase construction of the transportation projects that are currently included in
1212 the federally mandated 2030 Regional Transportation Plan, or any successive plan. Except as
1213 specifically provided herein, projects listed in the second phase shall not be undertaken until the
1214 Authority has determined that there is a viable plan of construction for the projects listed in the first
1215 phase that meet the requirements of this section.

1216 First Phase Projects:

1217 Route 460 Upgrade; I-64 Widening on the Peninsula; I-64 Widening on the Southside; Downtown
1218 Tunnel; Midtown Tunnel/MLK Extension; Southeastern Parkway/Dominion Blvd; I-664 Widening in
1219 Newport News; I-664 Widening on the Southside; I-664 Monitor Merrimac Memorial Bridge Tunnel
1220 Widening.

1221 Second Phase Projects:

1222 I-64 to the Intermodal Connector; I-564 Connector to the Monitor Merrimac Memorial Bridge
1223 Tunnel; Craney Island Connector.

1224 It is the intent of the General Assembly that the Authority shall encourage private sector
1225 participation in the aforementioned projects. Any cost savings realized under the PPTA relating to the
1226 construction of first phase projects may be applied to advancing the future construction of second phase
1227 projects. Further, nothing herein shall prohibit the Authority from receiving and acting on PPTA
1228 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 Bridge-Tunnel, which provide a vehicular connection across the mouth of the Chesapeake Bay between the City of Virginia Beach and Northampton County, shall become subject to the control of the Authority subject to the provisions of § 33.1-391.8, at such time as all of the bonds and other evidences of debt now or hereafter issued by or on behalf of the Chesapeake Bay Bridge and Tunnel Commission shall have been satisfied or paid in full. Until such bonds and other evidences of debt have been satisfied or paid in full, control of and responsibility for the operation and maintenance of the Chesapeake Bay Bridge-Tunnel facilities shall remain with the Chesapeake Bay Bridge and Tunnel Commission.

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

At such time as the Chesapeake Bay Bridge-Tunnel facilities become subject to the control of the Authority as contemplated by this section, the Authority shall be enlarged by two members, one of whom shall be a member of the governing body of the County of Accomack, provided that the County imposes the local transportation fees and taxes authorized by §§ 46.2-755.1, 46.2-755.2, and 46.2-1167.1; subsection K of 58.1-605; subsection H of 58.1-606; and §§ 58.1-802.2, 58.1-1724.3, 58.1-2402.2, and 58.1-3221.3, and one of whom shall be a member of the governing body of the County of Northampton, provided that the County imposes the local transportation fees and taxes authorized by §§ 46.2-755.1, 46.2-755.2, and 46.2-1167.1; subsection K of 58.1-605; subsection H of 58.1-606; and §§ 58.1-802.2, 58.1-1724.3, 58.1-2402.2, and 58.1-3221.3. The representative of the local governing body of the County of Accomack and the County of Northampton shall be appointed by a majority vote of the respective local governing body and shall be a member of the local governing body by which he is appointed. In the event that a member of the Authority who is appointed by the governing body of the County of Accomack or the County of Northampton ceases to be a member of that local governing body, he may no longer serve as a member of the Authority. Members of the Authority appointed by the County of Accomack or the County of Northampton shall serve for terms of four years and may be appointed for one additional term of four years.

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

On a prospective basis, prior to issuing any bonds for the purposes of financing the construction of new or additional tunnels, the Chesapeake Bay Bridge and Tunnel Commission shall obtain approval for the issuance from the General Assembly. This provision shall not apply to any bond issued to provide for the payment of any temporary or interim financing.

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

Except as otherwise explicitly provided in this chapter, until such time as the Authority and the Virginia Department of Transportation, or the Authority and the Commonwealth Transportation Board, agree otherwise in writing, the Commonwealth Transportation Board shall allocate funding to and the Department of Transportation shall perform or cause to be performed all maintenance and operation of the bridges, tunnels, and roadways referred to in § 33.1-391.8, and shall perform such other required services and activities with respect to such bridges, tunnels, and roadways as were being performed on January 1, 2007.

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

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

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

Notwithstanding any other provision of this chapter, all moneys received by the Authority shall be

1290 *used by the Authority solely for the benefit of those counties and cities that have a member of the local*
1291 *governing body serving as a member of the Authority, and such moneys shall be used by the Authority*
1292 *in a manner that is consistent with the purposes stated in this chapter.*

1293 *§ 33.1-391.17. Local Transportation Fees.*

1294 *A. In addition to any other taxes, fees, or other charges imposed under law, the governing body of*
1295 *each of the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton,*
1296 *Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg may by*
1297 *ordinance levy the fees and taxes authorized by §§ 46.2-755.1, 46.2-755.2, and 46.2-1167.1; subsection*
1298 *K of 58.1-605; subsection H of 58.1-606; and §§ 58.1-802.2, 58.1-1724.3, 58.1-2402.2, and 58.1-3221.3,*
1299 *provided that (i) the governing body of the county or city adopts all of the fees and taxes authorized by*
1300 *§§ 46.2-755.1, 46.2-755.2, and 46.2-1167.1; subsection K of 58.1-605; subsection H of 58.1-606;*
1301 *§§ 58.1-802.2, 58.1-1724.3, 58.1-2402.2, and 58.1-3221.3, and (ii) the governing body of the county or*
1302 *city transfers the revenue collected from the additional fees to the Authority.*

1303 *At such time as the Chesapeake Bay Bridge-Tunnel becomes subject to the control of the Hampton*
1304 *Roads Transportation Authority as provided in § 33.1-391.12, each of the governing bodies of the*
1305 *Counties of Accomack and Northampton may also by ordinance levy the local transportation fees and*
1306 *taxes authorized by §§ 46.2-755.1, 46.2-755.2, and 46.2-1167.1; subsection K of 58.1-605; subsection H*
1307 *of 58.1-606; and §§ 58.1-802.2, 58.1-1724.3, 58.1-2402.2, and 58.1-3221.3, provided that the governing*
1308 *body of the county transfers the revenue generated by such fees to the Authority.*

1309 *The Authority shall use all funds collected hereunder solely for the purposes provided in*
1310 *§ 33.1-391.16.*

1311 *B. No locality imposing the local transportation fees and taxes authorized by §§ 46.2-755.1,*
1312 *46.2-755.2, and 46.2-1167.1; subsection K of 58.1-605; subsection H of 58.1-606; and §§ 58.1-802.2,*
1313 *58.1-1724.3, 58.1-2402.2, and 58.1-3221.3 shall cease to impose such fees and taxes so long as the*
1314 *Hampton Roads Transportation Authority (i) is currently engaged in a transportation project within the*
1315 *boundaries of the locality, (ii) has entered into a binding commitment to begin a transportation project*
1316 *within the boundaries of the locality, or (iii) has issued bonds or incurred other evidence of debt that*
1317 *has not been satisfied or paid in full and that relates to a transportation project undertaken by the*
1318 *Authority within the boundaries of the locality.*

1319 *§ 46.2-206.1. Imposition of certain additional fees on certain drivers.*

1320 *A. The purpose of the civil remedial fees imposed in this section is to generate revenue from drivers*
1321 *whose proven dangerous driving behavior places significant financial burdens upon the Commonwealth.*
1322 *The civil remedial fees established by this section shall be in addition to any other fees, costs, or*
1323 *penalties imposed pursuant to the Code of Virginia.*

1324 *B. The civil remedial fees established by this section shall be assessed on any resident of Virginia*
1325 *operating a motor vehicle on the highways of Virginia, including persons to whom Virginia driver's*
1326 *licenses, commercial driver's licenses, or learner's permits have been issued pursuant to this title;*
1327 *persons operating motor vehicles without licenses or whose license has been revoked or suspended; and*
1328 *persons operating motor vehicles with a license issued by a jurisdiction outside Virginia.*

1329 *C. The court shall assess a person with the following fees upon each conviction of the following*
1330 *offenses:*

1331 *1. Driving while his driver's license was suspended or revoked pursuant to § 18.2-272, 46.2-301,*
1332 *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*
1333 *each;*

1334 *2. Reckless driving in violation of Article 7 (§ 46.2-852 et seq.) of Chapter 8 or aggressive driving in*
1335 *violation of § 46.2-868.1 shall be assessed a fee to be paid in three annual payments of \$350 each;*

1336 *3. Driving while intoxicated in violation of § 18.2-266, 18.2-266.1, or 46.2-341.24 shall be assessed*
1337 *a fee to be paid in three annual payments of \$750 each;*

1338 *4. Any other misdemeanor conviction for a driving and/or motor vehicle related violation of Title*
1339 *18.2 or this title that is not included in one of the preceding three subdivisions shall be assessed a fee*
1340 *to be paid in three annual payments of \$300 each; and*

1341 *5. Any felony conviction for a driving or motor vehicle-related offense under Title 18.2 or this title,*
1342 *shall be assessed a fee to be paid in three annual payments of \$1,000 each.*

1343 *D. For the purposes of this section:*

1344 *1. A finding of guilty in the case of a juvenile and a conviction under substantially similar laws of*
1345 *any locality, territory, other state, or of the United States, shall be a conviction.*

1346 *2. The fees assessed under this subsection shall be implemented in a manner whereby no convictions*
1347 *prior to July 1, 2007, shall be considered.*

1348 *E. The court shall collect, in full, the first annual payment of the fee imposed under subsection C at*
1349 *the time of conviction and shall order the person assessed a fee to submit the second annual payment to*
1350 *the Department within 14 calendar months of the date of conviction and the third annual payment to the*
1351 *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.

F. 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 conviction. The Department shall notify every person assessed a fee by mailing a notice of the second and the third annual payments, including the amount due and the date it is due, by first-class mail addressed to such person's most recent address as shown in the Department's records. Such mailing shall constitute notice to the person assessed a fee under this section of the amount and date by which the second and third annual payments shall be paid to the Department. The Commissioner shall suspend the driver's license or privilege to drive a motor vehicle in Virginia of any person failing to pay the second or third annual payment of the fee to the Department by the due date specified in the notice. No license shall be reissued or reinstated until all fees assessed pursuant to this section have been paid and all other reinstatement requirements as provided in this title have been satisfied.

G. In addition to any fees set forth in subsection C, any person whose driver's record with the Department shows a balance of eight or more driver demerit points on July 15, where at least one such demerit point is attributable to an offense that occurs on or after July 1, 2007, shall be assessed a fee of \$100 plus \$75 for each demerit point in excess of eight, but not greater than \$700.

H. The Department shall assess the fees set forth in subsection G annually, beginning on July 15, 2007.

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

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

K. Funds collected through the imposition of the fees as provided for in this section shall be used to pay the Department's cost in imposing and collecting such assessments as provided in the general appropriation act, and any remainder shall be deposited into the Highway Maintenance and Operating Fund.

§ 46.2-332. Fees.

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

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

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

If the applicant for a driver's license is an employee of the Commonwealth, or of any county, city, or town who drives a motorcycle or a commercial motor vehicle solely in the line of his duty, he shall be exempt from the additional fee otherwise assessable for a motorcycle classification or a commercial

1413 motor vehicle endorsement. The Commissioner may prescribe the forms as may be requisite for
1414 completion by persons claiming exemption from additional fees imposed by this section.

1415 No additional fee above two dollars and forty cents per year shall be assessed for the driver's license
1416 or commercial driver's license required for the operation of a school bus.

1417 Excluding the two-dollar reexamination fee, one dollar and fifty cents of all fees collected for each
1418 original or renewal driver's license shall be paid into the driver education fund of the state treasury and
1419 expended as provided by law. Unexpended funds from the driver education fund shall be retained in the
1420 fund and be available for expenditure in ensuing years as provided therein.

1421 All fees for motorcycle endorsements shall be distributed as provided in § 46.2-1191.

1422 *B. Beginning January 1, 2008, in addition to all other fees authorized by this chapter, the governing*
1423 *body of any county or city that is included in the Northern Virginia Transportation Authority established*
1424 *pursuant to § 15.2-4830 is authorized to impose an additional fee of \$100 for the initial issuance of a*
1425 *driver's license to be collected by the Commissioner; provided that the county or city directs the*
1426 *Commissioner to transfer the revenues from the fee as provided in subsection C.*

1427 *C. All revenues generated by the fee imposed pursuant to subsection B, except such revenues that the*
1428 *Commissioner may retain as a reasonable amount for reimbursement of the direct costs of the collection*
1429 *of such revenue, shall be transferred to the Northern Virginia Transportation Authority and used*
1430 *according to the provisions of § 15.2-4838.1.*

1431 *D. The additional fee imposed pursuant to subsection B shall not, however, be imposed for the*
1432 *issuance of a driver's license to any person to whom a Virginia driver's license was previously issued*
1433 *but whose Virginia driver's license had expired or had been suspended or revoked. Furthermore, the*
1434 *amount of such additional fee, for any minor who presents proof thereof satisfactory to the*
1435 *Commissioner, shall be waived for the successful completion of a driver safety course approved by the*
1436 *Department. Any and all fees imposed pursuant to subsection B shall be collected by the Department of*
1437 *Motor Vehicles at the time the initial license is issued. The Commissioner shall maintain records of the*
1438 *fee imposed and collected per person and the locality and address where each person resides.*

1439 *E. No locality imposing the fee pursuant to subsection B shall cease to impose such fee so long as*
1440 *the Northern Virginia Transportation Authority (i) is engaged in a transportation project within the*
1441 *boundaries of the locality, (ii) has entered into a binding commitment to begin a transportation project*
1442 *within the boundaries of the locality, or (iii) has issued bonds or incurred other evidence of debt that*
1443 *has not been satisfied or paid in full and that relates to a transportation project undertaken by the*
1444 *Authority within the boundaries of the locality.*

1445 *F. This section shall supersede conflicting provisions of this chapter.*

1446 § 46.2-694. Fees for vehicles designed and used for transportation of passengers; weights used for
1447 computing fees; burden of proof.

1448 A. The annual registration fees for motor vehicles, trailers, and semitrailers designed and used for the
1449 transportation of passengers on the highways in the Commonwealth are:

1450 1. ~~Twenty-three~~ *Thirty-three* dollars for each private passenger car or motor home if the passenger
1451 car or motor home weighs 4,000 pounds or less, provided that it is not used for the transportation of
1452 passengers for compensation and is not kept or used for rent or for hire, or is not operated under a lease
1453 without a chauffeur.

1454 2. ~~Twenty-eight~~ *Thirty-eight* dollars for each passenger car or motor home which weighs more than
1455 4,000 pounds, provided that it is not used for the transportation of passengers for compensation and is
1456 not kept or used for rent or for hire, or is not operated under a lease without a chauffeur.

1457 3. Thirty cents per 100 pounds or major fraction thereof for a private motor vehicle other than a
1458 motorcycle with a normal seating capacity of more than 10 adults including the driver if the private
1459 motor vehicle is not used for the transportation of passengers for compensation and is not kept or used
1460 for rent or for hire or is not operated under a lease without a chauffeur. In no case shall the fee be less
1461 than \$23 if the vehicle weighs 4,000 pounds or less or \$28 if the vehicle weighs more than 4,000
1462 pounds.

1463 4. Thirty cents per 100 pounds or major fraction thereof for a school bus. In no case shall the fee be
1464 less than \$23 if the vehicle weighs 4,000 pounds or less or \$28 if the vehicle weighs more than 4,000
1465 pounds.

1466 5. Twenty-three dollars for each trailer or semitrailer designed for use as living quarters for human
1467 beings.

1468 6. Thirteen dollars plus \$ 0.30 per 100 pounds or major fraction thereof for each motor vehicle,
1469 trailer, or semitrailer used as a common carrier of passengers, operating either intrastate or interstate.
1470 Interstate common carriers of interstate passengers may elect to be licensed and pay the fees prescribed
1471 in subdivision 7 of this subsection on submission to the Commissioner of a declaration of operations and
1472 equipment as he may prescribe. An additional \$5 shall be charged if the motor vehicle weighs more
1473 than 4,000 pounds.

1474 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 two or more vehicles both within and outside the Commonwealth and registered for insurance purposes with the Surface Transportation Board of the United States Department of Transportation, Federal Highway Administration, may apply to the Commissioner for prorated registration. Upon the filing of such application, in such form as the Commissioner may prescribe, the Commissioner shall apportion the registration fees provided in this subsection so that the total registration fees to be paid for such vehicles of such carrier shall be that proportion of the total fees, if there were no apportionment, that the total number of miles traveled by such vehicles of such carrier within the Commonwealth bears to the total number of miles traveled by such vehicles within and outside the Commonwealth. Such total mileage in each instance is the estimated total mileage to be traveled by such vehicles during the license year for which such fees are paid, subject to the adjustment in accordance with an audit to be made by representatives of the Commissioner at the end of such license year, the expense of such audit to be borne by the carrier being audited. Each vehicle passing into or through Virginia shall be registered and licensed in Virginia and the annual registration fee to be paid for each such vehicle shall not be less than \$33. For the purpose of determining such apportioned registration fees, only those motor vehicles, trailers, or semitrailers operated both within and outside the Commonwealth shall be subject to inclusion in determining the apportionment provided for herein.

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

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

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

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

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

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

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

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

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

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

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

The Comptroller shall clearly designate on the warrant, check, or other means of transmitting these

1536 funds that such moneys are only to be used for purposes set forth in this subdivision. Such funds shall
 1537 be in addition to any local appropriations and local governing bodies shall not use these funds to
 1538 supplant local funds. Each local governing body shall report annually to the Board of Health on the use
 1539 of the funds returned to it pursuant to this section. In any case in which the local governing body grants
 1540 the funds to a regional emergency medical services council to be distributed to the licensed, nonprofit
 1541 emergency medical and rescue services, the local governing body shall remain responsible for the proper
 1542 use of the funds. If, at the end of any fiscal year, a report on the use of the funds returned to the
 1543 locality pursuant to this section for that year has not been received from a local governing body, any
 1544 funds due to that local governing body for the next fiscal year shall be retained until such time as the
 1545 report has been submitted to the Board.

1546 B. All motor vehicles, trailers, and semitrailers registered as provided in subsection B of § 46.2-646
 1547 shall pay a registration fee equal to one-twelfth of all fees required by subsection A of this section or
 1548 § 46.2-697 for such motor vehicle, trailer, or semitrailer, computed to the nearest cent, multiplied by the
 1549 number of months in the registration period for such motor vehicles, trailers, and semitrailers.

1550 C. The manufacturer's shipping weight or scale weight shall be used for computing all fees required
 1551 by this section to be based upon the weight of the vehicle.

1552 D. The applicant for registration bears the burden of proof that the vehicle for which registration is
 1553 sought is entitled by weight, design, and use to be registered at the fee tendered by the applicant to the
 1554 Commissioner or to his authorized agent.

1555 § 46.2-694.1. Fees for trailers and semitrailers not designed and used for transportation of passengers.

1556 Unless otherwise specified in this title, the registration fees for trailers and semitrailers not designed
 1557 and used for the transportation of passengers on the highways in the Commonwealth shall be as follows:

1558 Registered Gross Weight	1-Year Fee	2-Year Fee	Permanent Fee
1559 0-1,500 lbs	\$8.00\$18.00	\$16.00\$36.00	\$50.00\$70.00
1560 1,501-4,000 lbs	\$18.50\$28.50	\$37.00\$57.00	\$50.00\$75.00
1561 4,001 lbs & above	\$23.50\$40.00	\$47.00\$80.00	\$50.00\$100.00

1562 From the foregoing registration fees, the following amounts, regardless of weight category, shall be
 1563 paid by the Department into the state treasury and set aside for the payment of the administrative costs
 1564 of the safety inspection program provided for in Article 21 (§ 46.2-1157 et seq.) of Chapter 10 of this
 1565 title: (i) from each one-year registration fee, one dollar and fifty cents; (ii) from each two-year
 1566 registration fee, three dollars; and (iii) from each permanent registration fee, four dollars.

1567 § 46.2-697. Fees for vehicles not designed or used for transportation of passengers.

1568 A. Except as otherwise provided in this section, the fee for registration of all motor vehicles not
 1569 designed and used for the transportation of passengers shall be ~~thirteen dollars~~ \$23 plus an amount
 1570 determined by the gross weight of the vehicle or combination of vehicles of which it is a part, when
 1571 loaded to the maximum capacity for which it is registered and licensed, according to the schedule of
 1572 fees set forth in this section. For each 1,000 pounds of gross weight, or major fraction thereof, for
 1573 which any such vehicle is registered, there shall be paid to the Commissioner the fee indicated in the
 1574 following schedule immediately opposite the weight group and under the classification established by the
 1575 provisions of subsection B of § 46.2-711 into which such vehicle, or any combination of vehicles of
 1576 which it is a part, falls when loaded to the maximum capacity for which it is registered and licensed.
 1577 The fee for a pickup or panel truck shall be ~~twenty-three dollars~~ \$33 if its gross weight is 4,000 pounds
 1578 or less, and ~~twenty-eight dollars~~ \$38 if its gross weight is 4,001 pounds through 6,500 pounds. The fee
 1579 shall be ~~twenty-nine dollars~~ \$39 for any motor vehicle with a gross weight of 6,501 pounds through
 1580 10,000 pounds.

1581 Gross Weight	Fee Per Thousand Pounds of Gross Weight	
	Private	For Rent or
1582 Groups (pounds)	Carriers	For Hire Carriers
1583 -----	-----	-----
1584 10,001 - 11,000	\$2.603.17	\$4.75
1585 11,001 - 12,000	2.803.42	4.90
1586 12,001 - 13,000	3.003.66	5.15
1587 13,001 - 14,000	3.203.90	5.40
1588 14,001 - 15,000	3.404.15	5.65
1589 15,001 - 16,000	3.604.39	5.90
1590 16,001 - 17,000	4.004.88	6.15
1591 17,001 - 18,000	4.405.37	6.40
1592 18,001 - 19,000	4.805.86	7.50
1593 19,001 - 20,000	5.206.34	7.70
1594 20,001 - 21,000	5.606.83	7.90

1596	21,001 - 22,000	6.00 7.32	8.10
1597	22,001 - 23,000	6.40 7.81	8.30
1598	23,001 - 24,000	6.80 8.30	8.50
1599	24,001 - 25,000	6.90 8.42	8.70
1600	25,001 - 26,000	6.95 8.48	8.90
1601	26,001 - 27,000	8.25 10.07	10.35
1602	27,001 - 28,000	8.30 10.13	10.55
1603	28,001 - 29,000	8.35 10.18	10.75
1604	29,001 - 40,000	8.45 10.31	10.95
1605	40,001 - 45,000	8.55 10.43	11.15
1606	45,001 - 50,000	8.75 10.68	11.25
1607	50,001 - 55,000	9.25 11.29	13.25
1608	55,001 - 76,000	11.25 13.73	15.25
1609	76,001 - 80,000	13.25 16.17	16.25

1610 For all such motor vehicles exceeding a gross weight of 6,500 pounds, an additional fee of five
1611 dollars shall be imposed.

1612 B. In lieu of registering any motor vehicle referred to in this section for an entire licensing year, the
1613 owner may elect to register the vehicle only for one or more quarters of a licensing year, and in such
1614 case, the fee shall be twenty-five percent of the annual fee plus five dollars for each quarter that the
1615 vehicle is registered.

1616 C. When an owner elects to register and license a motor vehicle under subsection B of this section,
1617 the provisions of §§ 46.2-646 and 46.2-688 shall not apply.

1618 D. Notwithstanding any other provision of law, no vehicle designed, equipped, and used to tow
1619 disabled or inoperable motor vehicles shall be required to register in accordance with any gross weight
1620 other than the gross weight of the towing vehicle itself, exclusive of any vehicle being towed.

1621 E. All registrations and licenses issued for less than a full year shall expire on the date shown on the
1622 license and registration.

1623 § 46.2-702.1. *Distribution of certain revenue.*

1624 A. *Except as provided in subsection B, the net additional revenues generated by increases in the*
1625 *registration fees under §§ 46.2-694, 46.2-694.1, and 46.2-697 pursuant to enactments of the 2007*
1626 *Session of the General Assembly, shall be deposited into the Highway Maintenance and Operating Fund.*

1627 B. *In the case of vehicles registered under the International Registration Plan, an amount that is*
1628 *approximately equal to the net additional revenues generated by increases in the registration fees under*
1629 *§§ 46.2-694, 46.2-694.1, and 46.2-697 that are in regard to such vehicles pursuant to enactments of the*
1630 *2007 Session of the General Assembly shall be deposited into the Highway and Maintenance Operating*
1631 *Fund.*

1632 C. *For purposes of this title, "net additional revenues" shall mean the additional revenues provided*
1633 *pursuant to enactments of the 2007 Session of the General Assembly minus any refunds or remittances*
1634 *required to be paid.*

1635 § 46.2-755.1. *Additional annual license fees in certain localities.*

1636 A. *1. In addition to taxes and license fees imposed pursuant to § 46.2-752 and to all other taxes and*
1637 *fees permitted by law, and subject to the limitations contained in § 33.1-391.17, beginning January 1,*
1638 *2008, the governing bodies of the Counties of Isle of Wight, James City, and York and the Cities of*
1639 *Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and*
1640 *Williamsburg are authorized to charge an additional annual license fee in the amount of \$10 for each*
1641 *vehicle registered in the county or city that is subject to state registration fees under this Title; provided*
1642 *that the governing body of the respective county or city authorizes the transfer of the revenues collected*
1643 *from such fee to the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used*
1644 *for the purposes set forth in § 33.1-391.16. Such additional license fees shall not, however, be charged*
1645 *for any vehicle registered under the International Registration Plan developed by International*
1646 *Registration Plan, Inc.*

1647 2. *At such time as the Chesapeake Bay Bridge-Tunnel becomes subject to the control of the Hampton*
1648 *Roads Transportation Authority as provided in § 33.1-391.12, the governing body of each of the*
1649 *Counties of Accomack and Northampton may by ordinance impose the fee described under subdivision*
1650 *1, provided that the governing body of the respective county authorizes the transfer of the revenues*
1651 *collected from such fee to the Hampton Roads Transportation Authority established under § 33.1-391.7*
1652 *to be used for the purposes set forth in § 33.1-391.16.*

1653 B. *Any and all fees imposed pursuant to this section shall be collected by the Department of Motor*
1654 *Vehicles at the time the vehicle is registered with the Department or when its registration is renewed.*
1655 *Each fee shall be denominated by the Department as the "Hampton Roads Improvement Fee." All such*

1656 fees shall be remitted by the Comptroller on a monthly basis to the Hampton Roads Transportation
 1657 Authority to be used for the purposes set forth in § 33.1-391.16. The Commissioner shall maintain
 1658 records of the fee imposed and collected and the locality and address where each vehicle is registered.

1659 C. No locality imposing the fee pursuant to this section shall cease to impose such fee so long as the
 1660 Hampton Roads Transportation Authority (i) is engaged in a transportation project within the
 1661 boundaries of the locality, (ii) has entered into a binding commitment to begin a transportation project
 1662 within the boundaries of the locality, or (iii) has issued bonds or incurred other evidence of debt that
 1663 has not been satisfied or paid in full and that relates to a transportation project undertaken by the
 1664 Authority within the boundaries of the locality.

1665 § 46.2-755.2. Additional initial license fees in certain localities.

1666 In addition to taxes and license fees imposed pursuant to § 46.2-752 and to all other taxes and fees
 1667 permitted by law, and subject to the limitations contained in § 33.1-391.17, beginning January 1, 2008,
 1668 the governing bodies of the Counties of Isle of Wight, James City, and York and the Cities of
 1669 Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and
 1670 Williamsburg are authorized to charge an additional initial, one-time license fee on all vehicles for
 1671 which the locality is authorized to collect an annual license fee, at the rate of 1% of the retail value of
 1672 the vehicle according to the National Automobile Dealers Association at the time the vehicle is first
 1673 registered in the locality by the owner of the vehicle; provided that the governing body of the respective
 1674 county or city transfers the revenues collected from such fee to the Hampton Roads Transportation
 1675 Authority established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.16. If the
 1676 model and year of an individual vehicle is not listed by the National Automobile Dealers Association,
 1677 the retail value of an individual vehicle may be determined on the basis of the original cost, without any
 1678 allowance or deduction for trade-ins, prior rental, or any other transaction of like nature, or using such
 1679 publications, sources or information, and other data as are customarily employed in ascertaining the
 1680 retail value of such vehicle. License fees authorized by this section shall be imposed only once, so long
 1681 as the ownership of the vehicle upon which they are imposed remains unchanged. The locality shall
 1682 exempt from such fee any vehicle whose owner has previously paid a fee under this section on the same
 1683 vehicle.

1684 At such time as the Chesapeake Bay Bridge-Tunnel becomes subject to the control of the Hampton
 1685 Roads Transportation Authority as provided in § 33.1-391.12, the governing body of each of the
 1686 Counties of Accomack and Northampton may by ordinance impose the fee under this section, provided
 1687 that the governing body of the respective county transfers the revenues collected from such fee to the
 1688 Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for the purposes set
 1689 forth in § 33.1-391.16.

1690 All such additional license fees shall be paid to and collected by the Department of Motor Vehicles,
 1691 and shall not be collectable or collected by any licensed dealer at the time of the sale of any vehicle.

1692 Any and all fees collected by the Department of Motor Vehicles under this section shall be
 1693 designated by the Department as the "Hampton Roads Transportation Initial Registration Fee" and shall
 1694 be remitted by the Comptroller on a monthly basis to the Hampton Roads Transportation Authority to
 1695 be used for the purposes as set forth in § 33.1-391.16. The Commissioner shall maintain records of the
 1696 fee imposed and collected and the locality and address of where each vehicle is registered.

1697 No locality imposing the fee pursuant to this section shall cease to impose such fee so long as the
 1698 Hampton Roads Transportation Authority (i) is engaged in a transportation project within the
 1699 boundaries of the locality, (ii) has entered into a binding commitment to begin a transportation project
 1700 within the boundaries of the locality, or (iii) has issued bonds or incurred other evidence of debt that
 1701 has not been satisfied or paid in full and that relates to a transportation project undertaken by the
 1702 Authority within the boundaries of the locality.

1703 § 46.2-1135. Liquidated damages for violation of weight limits.

1704 A. Any person violating any weight limit as provided in this chapter or in any permit issued pursuant
 1705 to Article 18 (§ 46.2-1139 et seq.) of this chapter by the Department or its designee or by local
 1706 authorities pursuant to this chapter shall be assessed liquidated damages. The amount of those damages
 1707 shall be:

1708	Excess weight over	Assessed
1709	the prescribed	amount per
1710	or permitted	pound limit
1711	axle weight	

1712	
1713	4,000 pounds or less — 1 cent per pound
1714	4,001 to 8,000 pounds — 10 cents per pound
1715	8,001 to 12,000 pounds — 20 cents per pound
1716	12,001 pounds or more — 30 cents per pound

1717	2,000 pounds or less	1 cent per pound
1718	2,001 to 4,000 pounds	3 cents per pound
1719	4,001 to 8,000 pounds	12 cents per pound
1720	8,001 to 12,000 pounds	22 cents per pound
1721	12,001 pounds or more	35 cents per pound
1722	Excess weight over	Assessed
1723	the prescribed	amount per
1724	gross weight	pound
1725	limit	

1726		
1727	4,000 pounds or less	1 cent per pound
1728	4,001 to 8,000 pounds	5 cents per pound
1729	8,001 to 12,000 pounds	10 cents per pound
1730	12,001 pounds or more	15 cents per pound
1731	2,000 pounds or less	1 cent per pound
1732	2,001 to 4,000 pounds	3 cents per pound
1733	4,001 to 8,000 pounds	7 cents per pound
1734	8,001 to 12,000 pounds	12 cents per pound
1735	12,001 pounds or more	20 cents per pound

1736 All gross permit violations shall be assessed \$.20 per pound over the permitted weight limit.

1737 *In addition to all damages assessed herein, for every violation of any weight limit as provided in this*
 1738 *chapter or in any permit issued pursuant to Article 18 (§ 46.2-1139 et seq.) of this chapter, there shall*
 1739 *be assessed additional liquidated damages of \$20.*

1740 If a person has no prior violations under the motor vehicle weight laws, and the excess weight does
 1741 not exceed ~~2,500~~1,500 pounds, the general district court may waive the liquidated damages against such
 1742 person. Except as provided by § 46.2-1138, such assessment shall be entered by the court or by the
 1743 Department as a judgment for the Commonwealth, the entry of which shall constitute a lien upon the
 1744 overweight vehicle. Except as provided by § 46.2-1138, such sums shall be paid to the Department or
 1745 collected by the attorney for the Commonwealth and forwarded to the State Treasurer and allocated to
 1746 the fund appropriated for the construction and maintenance of state highways.

1747 B. If the gross weight of the vehicle exceeds lawful limits by at least 25 percent but no more than
 1748 50 percent, the amount of the liquidated damages shall be two times the amount provided for in the
 1749 foregoing provisions of this section; if the gross weight of the vehicle exceeds lawful limits by more
 1750 than 50 percent, the amount of the liquidated damages shall be three times the amount provided for in
 1751 the foregoing provisions of this section. The provisions of this subsection shall not apply to pickup or
 1752 panel trucks.

1753 C. *The increases in the liquidated damages under subsection A pursuant to enactments of the 2007*
 1754 *Session of the General Assembly shall not be applicable to any motor vehicle hauling forest or farm*
 1755 *products from the place where such products are first produced, cut, harvested, or felled to the location*
 1756 *where they are first processed. The amount of liquidated damages assessed against such motor vehicles*
 1757 *shall be:*

1758		
1759	Excess weight over	
1760	the prescribed or	Assessed
1761	permitted axle	amount per
1762	weight limits	pound
1763		
1764		
1765	4,000 pounds or less	1 cent per pound
1766	4,001 to 8,000 pounds	10 cents per pound
1767	8,001 to 12,000 pounds	20 cents per pound
1768	12,001 pounds or more	30 cents per pound

1769		
1770		
1771	Excess weight over	Assessed
1772	the prescribed gross	amount per
1773	weight limit	pound
1774		

1775

1776 4,000 pounds or less 1 cent per pound

1777 4,001 to 8,000 pounds 5 cents per pound

1778 8,001 to 12,000 pounds 10 cents per pound

1779 12,001 pounds or more 15 cents per pound

1780 D. Notwithstanding any other provision in this section, except as provided by § 46.2-1138, the
1781 revenues generated by the increases in the liquidated damages under this section pursuant to enactments
1782 of the 2007 Session of the General Assembly shall be paid to the Department or collected by the
1783 attorney for the Commonwealth and forwarded to the State Treasurer and deposited into the Highway
1784 Maintenance and Operating Fund. For the revenues paid to the Department, the Commissioner of the
1785 Department shall make such written certifications as are necessary for the Comptroller to make the
1786 required deposit into the Highway Maintenance and Operating Fund as soon as practicable.

1787 § 46.2-1167.1. Additional fee permitted in certain counties and cities.

1788 A. 1. In addition to all other charges and fees permitted by law, and subject to the limitations
1789 contained in § 33.1-391.17, beginning January 1, 2008, the governing bodies of the Counties of Isle of
1790 Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk,
1791 Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg are authorized to charge an
1792 additional fee at the time of inspection in the amount of \$10 for all vehicles for which an amount is
1793 permitted to be charged for inspection pursuant to § 46.2-1167; provided that the governing body of the
1794 respective county or city transfers the revenues collected from such fee to the Hampton Roads
1795 Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in
1796 § 33.1-391.16.

1797 2. At such time as the Chesapeake Bay Bridge-Tunnel becomes subject to the control of the Hampton
1798 Roads Transportation Authority as provided in § 33.1-391.12, the governing body of each of the
1799 Counties of Accomack and Northampton may by ordinance impose the fee described under subdivision
1800 1, provided that the governing body of the respective county transfers the revenues collected from such
1801 fee to the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for the
1802 purposes set forth in § 33.1-391.16.

1803 B. Any and all fees imposed pursuant to this section shall be collected by the official safety
1804 inspection station at the time of inspection and shall be remitted on a monthly basis to the county or
1805 city. The official safety inspection station shall maintain records of the fees imposed and collected.

1806 C. No locality imposing the fee pursuant to this section shall cease to impose such fee so long as the
1807 Hampton Roads Transportation Authority (i) is engaged in a transportation project within the
1808 boundaries of the locality, (ii) has entered into a binding commitment to begin a transportation project
1809 within the boundaries of the locality, or (iii) has issued bonds or incurred other evidence of debt that
1810 has not been satisfied or paid in full and that relates to a transportation project undertaken by the
1811 Authority within the boundaries of the locality.

1812 § 58.1-540. Levy of the tax.

1813 A. Any county having a population of more than 500,000, as determined by the 1980 U. S. Census,
1814 any county or city adjacent thereto, and any city contiguous to such an adjacent county or city, or any
1815 city with a population of at least 265,000, is hereby authorized to levy a local income tax at any
1816 increment of one-quarter percent up to a maximum rate of one percent upon the Virginia taxable income
1817 as determined in § 58.1-322 for an individual, § 58.1-361 for a fiduciary of an estate or trust, or
1818 § 58.1-402 for a corporation, for each taxable year of every resident of such county or city or
1819 corporation having income from sources within such county or city, subject to the limitations of
1820 subsection B of this section. The same rate shall apply to individuals, fiduciaries and corporations.

1821 B. The authority to levy a local income tax as provided in subsection A may be exercised by a
1822 county or city governing body only if (i) the county or city is not imposing any of the taxes and fees
1823 authorized pursuant to subsection B of § 46.2-332; §§ 46.2-755.1, 46.2-755.2, 46.2-1167.1; subsection K
1824 of § 58.1-605, subsection H of 58.1-606; and §§ 58.1-802.1, 58.1-802.2, 58.1-1724.3, 58.1-2402.2,
1825 58.1-3221.2, 58.1-3221.3, and 58.1-3825.1, and (ii) approved in a referendum within the county or city.
1826 The referendum shall be held in accordance with § 24.2-684. The referendum may be initiated either by
1827 a resolution of the governing body of the county or city or on the filing of a petition signed by a
1828 number of registered voters of the county or city equal in number to ten percent of the number of voters
1829 registered in the county or city on January 1 of the year in which the petition is filed with the circuit
1830 court of such county or city. The clerk of the circuit court shall publish notice of the election in a
1831 newspaper of general circulation in the county or city once a week for three consecutive weeks prior to
1832 the election. The ballot used shall be printed to read as follows:

1833 "Shall the governing body of (...name of county or city...) have the authority to levy a local income
1834 tax of up to one percent for transportation purposes in accordance with § 58.1-540 of the Code of
1835 Virginia?

1836 _ Yes
1837 _ No"

1838 If the voters by a majority vote approve the authority of the local governing body to levy a local
1839 income tax, the tax may be imposed by the adoption of an ordinance by the governing body of the
1840 county or city in accordance with general or special law, and the tax may be thereafter enacted,
1841 modified or repealed as any other tax the governing body is empowered to levy subject only to the
1842 limitations herein. No ordinance levying a local income tax shall be repealed unless and until all debts
1843 or other obligations of the county or city to which such revenues are pledged or otherwise committed
1844 have been paid or provision made for payment.

1845 § 58.1-605. To what extent and under what conditions cities and counties may levy local sales taxes;
1846 collection thereof by Commonwealth and return of revenue to each city or county entitled thereto.

1847 A. No county, city or town shall impose any local general sales or use tax or any local general retail
1848 sales or use tax except as authorized by this section.

1849 B. The council of any city and the governing body of any county may levy a general retail sales tax
1850 at the rate of one percent to provide revenue for the general fund of such city or county. Such tax shall
1851 be added to the rate of the state sales tax imposed by §§ 58.1-603 and 58.1-604 and shall be subject to
1852 all the provisions of this chapter and the rules and regulations published with respect thereto. No
1853 discount under § 58.1-622 shall be allowed on a local sales tax.

1854 C. The council of any city and the governing body of any county desiring to impose a local sales tax
1855 under this section may do so by the adoption of an ordinance stating its purpose and referring to this
1856 section, and providing that such ordinance shall be effective on the first day of a month at least 60 days
1857 after its adoption. A certified copy of such ordinance shall be forwarded to the Tax Commissioner so
1858 that it will be received within five days after its adoption.

1859 D. Any local sales tax levied under this section shall be administered and collected by the Tax
1860 Commissioner in the same manner and subject to the same penalties as provided for the state sales tax.

1861 E. All local sales tax moneys collected by the Tax Commissioner under this section shall be paid
1862 into the state treasury to the credit of a special fund which is hereby created on the Comptroller's books
1863 under the name "Collections of Local Sales Taxes." Such local sales tax moneys shall be credited to the
1864 account of each particular city or county levying a local sales tax under this section. The basis of such
1865 credit shall be the city or county in which the sales were made as shown by the records of the
1866 Department and certified by it monthly to the Comptroller, namely, the city or county of location of
1867 each place of business of every dealer paying the tax to the Commonwealth without regard to the city or
1868 county of possible use by the purchasers. If a dealer has any place of business located in more than one
1869 political subdivision by reason of the boundary line or lines passing through such place of business, the
1870 amount of sales tax paid by such a dealer with respect to such place of business shall be treated for the
1871 purposes of this section as follows: one-half shall be assignable to each political subdivision where two
1872 are involved, one-third where three are involved, and one-fourth where four are involved.

1873 F. As soon as practicable after the local sales tax moneys have been paid into the state treasury in
1874 any month for the preceding month, the Comptroller shall draw his warrant on the Treasurer of Virginia
1875 in the proper amount in favor of each city or county entitled to the monthly return of its local sales tax
1876 moneys, and such payments shall be charged to the account of each such city or county under the
1877 special fund created by this section. If errors are made in any such payment, or adjustments are
1878 otherwise necessary, whether attributable to refunds to taxpayers, or to some other fact, the errors shall
1879 be corrected and adjustments made in the payments for the next six months as follows: one-sixth of the
1880 total adjustment shall be included in the payments for the next six months. In addition, the payment
1881 shall include a refund of amounts erroneously not paid to the city or county and not previously refunded
1882 during the three years preceding the discovery of the error. A correction and adjustment in payments
1883 described in this subsection due to the misallocation of funds by the dealer shall be made within three
1884 years of the date of the payment error.

1885 G. Such payments to counties are subject to the qualification that in any county wherein is situated
1886 any incorporated town constituting a special school district and operated as a separate school district
1887 under a town school board of three members appointed by the town council, the county treasurer shall
1888 pay into the town treasury for general governmental purposes the proper proportionate amount received
1889 by him in the ratio that the school age population of such town bears to the school age population of
1890 the entire county. If the school age population of any town constituting a separate school district is
1891 increased by the annexation of territory since the last preceding school age population census, such
1892 increase shall, for the purposes of this section, be added to the school age population of such town as
1893 shown by the last such census and a proper reduction made in the school age population of the county
1894 or counties from which the annexed territory was acquired.

1895 H. One-half of such payments to counties are subject to the further qualification, other than as set
1896 out in subsection G above, that in any county wherein is situated any incorporated town not constituting

1897 a separate special school district which has complied with its charter provisions providing for the
1898 election of its council and mayor for a period of at least four years immediately prior to the adoption of
1899 the sales tax ordinance, the county treasurer shall pay into the town treasury of each such town for
1900 general governmental purposes the proper proportionate amount received by him in the ratio that the
1901 school age population of each such town bears to the school age population of the entire county, based
1902 on the latest statewide school census. The preceding requirement pertaining to the time interval between
1903 compliance with election provisions and adoption of the sales tax ordinance shall not apply to a tier-city.
1904 If the school age population of any such town not constituting a separate special school district is
1905 increased by the annexation of territory or otherwise since the last preceding school age population
1906 census, such increase shall, for the purposes of this section, be added to the school age population of
1907 such town as shown by the last such census and a proper reduction made in the school age population
1908 of the county or counties from which the annexed territory was acquired.

1909 I. Notwithstanding the provisions of subsection H, the board of supervisors of a county may, in its
1910 discretion, appropriate funds to any incorporated town not constituting a separate school district within
1911 such county which has not complied with the provisions of its charter relating to the elections of its
1912 council and mayor, an amount not to exceed the amount it would have received from the tax imposed
1913 by this chapter if such election had been held.

1914 J. It is further provided that if any incorporated town which would otherwise be eligible to receive
1915 funds from the county treasurer under subsection G or H of this section be located in a county which
1916 does not levy a general retail sales tax under the provisions of this law, such town may levy a general
1917 retail sales tax at the rate of one percent to provide revenue for the general fund of the town, subject to
1918 all the provisions of this section generally applicable to cities and counties. Any tax levied under the
1919 authority of this subsection shall in no case continue to be levied on or after the effective date of a
1920 county ordinance imposing a general retail sales tax in the county within which such town is located.

1921 *K. 1. Notwithstanding the other provisions of this chapter, beginning January 1, 2008, the governing*
1922 *body of each of the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake,*
1923 *Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg*
1924 *may, by ordinance, impose a retail sales tax at the rate of 5% on (i) charges for separately stated labor*
1925 *or services in the repair of motor vehicles, and (ii) charges for the repair of a motor vehicle in cases in*
1926 *which the true object of the repair is a service, provided that the governing body of the locality*
1927 *authorizes the Tax Commissioner to transfer the revenues collected from such tax to the Hampton Roads*
1928 *Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in*
1929 *§ 33.1-391.16.*

1930 *2. At such time as the Chesapeake Bay Bridge-Tunnel becomes subject to the control of the Hampton*
1931 *Roads Transportation Authority as provided in § 33.1-391.12, the governing body of each of the*
1932 *Counties of Accomack and Northampton may by ordinance impose the tax described under subdivision*
1933 *1, provided that the governing body of the respective county authorizes the Tax Commissioner to*
1934 *transfer the revenues collected from such tax to the Hampton Roads Transportation Authority*
1935 *established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.16.*

1936 *3. The revenue generated and collected pursuant to the tax authorized under this subsection, less the*
1937 *applicable portion of any refunds to taxpayers, shall be deposited and held in a special trust fund under*
1938 *the control of the State Treasurer entitled "Special Sales and Use Tax Motor Vehicle Repair Fund." The*
1939 *State Treasurer on a monthly basis shall distribute the amounts deposited in the special trust fund to the*
1940 *Hampton Roads Transportation Authority.*

1941 *4. No discount under § 58.1-622 shall be allowed for the tax described under this subsection. Except*
1942 *as otherwise provided herein, the tax under this subsection shall be administered and collected in the*
1943 *same manner and subject to the same penalties as provided for the local retail sales tax.*

1944 *5. No locality imposing the tax pursuant to this section shall cease to impose such tax so long as the*
1945 *Hampton Roads Transportation Authority (i) is engaged in a transportation project within the*
1946 *boundaries of the locality, (ii) has entered into a binding commitment to begin a transportation project*
1947 *within the boundaries of the locality, or (iii) has issued bonds or incurred other evidence of debt that*
1948 *has not been satisfied or paid in full and that relates to a transportation project undertaken by the*
1949 *Authority within the boundaries of the locality.*

1950 § 58.1-606. To what extent and under what conditions cities and counties may levy local use tax;
1951 collection thereof by Commonwealth and return of revenues to the cities and counties.

1952 A. The council of any city and the governing body of any county which has levied or may hereafter
1953 levy a city or county sales tax under § 58.1-605 may levy a city or county use tax at the rate of one
1954 percent to provide revenue for the general fund of such city or county. Such tax shall be added to the
1955 rate of the state use tax imposed by this chapter and shall be subject to all the provisions of this chapter,
1956 and all amendments thereof, and the rules and regulations published with respect thereto, except that no
1957 discount under § 58.1-622 shall be allowed on a local use tax.

1958 B. The council of any city and the governing body of any county desiring to impose a local use tax

under this section may do so in the manner following:

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

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

C. Any local use 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 use tax.

D. The local use tax authorized by this section shall not apply to transactions to which the sales tax applies, the situs of which for state and local sales tax purposes is 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. However, the local use tax authorized by this section shall apply to tangible personal property purchased without this Commonwealth for use or consumption within the city or county imposing the local use tax, or stored within the city or county for use or consumption, where the property would have been subject to the sales tax if it had been purchased within this Commonwealth. The local use tax shall also apply to leases or rentals of tangible personal property where the place of business of the lessor is without this Commonwealth and such leases or rentals are subject to the state tax. Moreover, the local use tax shall apply in all cases in which the state use tax applies.

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

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

H. 1. Notwithstanding the other provisions of this chapter, beginning January 1, 2008, the governing body of each of the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg may, by ordinance, impose a retail use tax at the rate of 5% on (i) charges for separately stated labor or services for the repair of motor vehicles, and (ii) charges for the repair of a motor vehicle in cases in which the true object of the repair is a service, provided that the governing body of the locality authorizes the Tax Commissioner to transfer the revenues collected from such tax to the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.16.

2. 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, the governing body of each of the Counties of Accomack and Northampton may by ordinance impose the tax described under subdivision 1, provided that the governing body of the respective county authorizes the Tax Commissioner to transfer the revenues collected from such tax to the Hampton Roads Transportation Authority

2020 established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.16.

2021 3. The revenue generated and collected pursuant to the tax authorized under this subsection, less the
2022 applicable portion of any refunds to taxpayers, shall be deposited and held in a special trust fund under
2023 the control of the State Treasurer entitled "Special Sales and Use Tax Motor Vehicle Repair Fund." The
2024 State Treasurer on a monthly basis shall distribute the amounts deposited in the special trust fund to the
2025 Hampton Roads Transportation Authority.

2026 4. No discount under § 58.1-622 shall be allowed for the tax described under this subsection. Except
2027 as otherwise provided herein, the tax under this subsection shall be administered and collected in the
2028 same manner and subject to the same penalties as provided for the local retail use tax.

2029 5. No locality imposing the tax pursuant to this section shall cease to impose such tax so long as the
2030 Hampton Roads Transportation Authority (i) is engaged in a transportation project within the
2031 boundaries of the locality, (ii) has entered into a binding commitment to begin a transportation project
2032 within the boundaries of the locality, or (iii) has issued bonds or incurred other evidence of debt that
2033 has not been satisfied or paid in full and that relates to a transportation project undertaken by the
2034 Authority within the boundaries of the locality.

2035 § 58.1-609.5. Service exemptions.

2036 A. The tax imposed by this chapter or pursuant to the authority granted in § 58.1-605 or § 58.1-606
2037 shall not apply to the following:

2038 1. Professional, insurance, or personal service transactions which involve sales as inconsequential
2039 elements for which no separate charges are made; services rendered by repairmen for which a separate
2040 charge is made; and services not involving an exchange of tangible personal property which provide
2041 access to or use of the Internet and any other related electronic communication service, including
2042 software, data, content and other information services delivered electronically via the Internet.

2043 2. An amount separately charged for labor or services rendered in installing, applying, remodeling or
2044 repairing property sold.

2045 3. Transportation charges separately stated.

2046 4. Separately stated charges for alterations to apparel, clothing and garments.

2047 5. Charges for gift wrapping services performed by a nonprofit organization.

2048 6. An amount separately charged for labor or services rendered in connection with the modification
2049 of prewritten programs as defined in § 58.1-602.

2050 7. Custom programs as defined in § 58.1-602.

2051 8. The sale or charges for any room or rooms, lodgings, or accommodations furnished to transients
2052 for more than 90 continuous days by any hotel, motel, inn, tourist camp, tourist cabin, camping grounds,
2053 club, or any other place in which rooms, lodging, space or accommodations are regularly furnished to
2054 transients for a consideration.

2055 9. Beginning January 1, 1996, maintenance contracts, the terms of which provide for both repair or
2056 replacement parts and repair labor, shall be subject to tax upon one-half of the total charge for such
2057 contracts only. Persons providing maintenance pursuant to such a contract may purchase repair or
2058 replacement parts under a resale certificate of exemption. Warranty plans issued by an insurance
2059 company, which constitute insurance transactions, are subject to the provisions of subdivision 1 above.

2060 B. In general, separately stated charges for labor or services in the repair of motor vehicles shall be
2061 exempt from taxation under this chapter and also shall not be taxed under any local ordinance adopted
2062 pursuant to any authority granted under this chapter. In general, charges for the repair of a motor
2063 vehicle in cases in which the true object of the repair is a service shall be exempt from taxation under
2064 this chapter and also shall not be taxed under any local ordinance adopted pursuant to any authority
2065 granted under this chapter.

2066 However, notwithstanding any other provision of this section, the general exemptions under this
2067 subsection shall not be applicable as provided in subsection K of § 58.1-605, and subsection H of
2068 § 58.1-606.

2069 § 58.1-625.1. Certain dealers required to separately state labor or service charges in the repair of
2070 motor vehicles.

2071 Any dealer or other person required to collect any tax imposed under this chapter, or pursuant to
2072 any authority granted under this chapter, who is located in any county or city set forth in subsection K
2073 of § 58.1-605, shall separately state on any bill, invoice, ticket, or other billing statement the amount
2074 charged by such dealer or person for labor or services performed in the repair of motor vehicles.

2075 § 58.1-802.1. Northern Virginia congestion relief fee.

2076 A. Beginning January 1, 2008, in addition to any other tax imposed under the provisions of this
2077 chapter, the governing body of each of the counties and cities that are included in the Northern Virginia
2078 Transportation Authority established pursuant to § 15.2-4830 may impose a fee, delineated as the
2079 "Northern Virginia congestion relief fee," on each deed, instrument, or writing by which lands,
2080 tenements, or other realty located in the county or city is sold and is granted, assigned, transferred, or
2081 otherwise conveyed to or vested in the purchaser or any other person, by such purchaser's direction;

provided that the governing body of the locality transfers the revenues collected as provided in subsection B. 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 transferred 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 pursuant to subsection B of § 58.1-802. However, the compensation allowed to the clerk of the court under such subsection shall not be applicable with regard to the fee collected under this section. The clerk shall return all fees collected pursuant to the authority granted under this section to the Northern Virginia Transportation Authority as soon as practicable.

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. Hampton Roads congestion relief fee.

A. 1. 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, Poquoson, 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; provided that the governing body of the locality authorizes the revenues collected from such tax be transferred to the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.16. 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.

2. 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, the governing body of each of the Counties of Accomack and Northampton may by ordinance impose the fee described under subdivision 1, provided that the governing body of the respective county authorizes transfer of the revenues collected from such fee to the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.16.

B. Fees imposed by this section shall be collected pursuant to subsection B of § 58.1-802. However, the compensation allowed to the clerk of the court under such subsection shall not be applicable with regard to the fee collected under this section. The clerk shall return all fees collected pursuant to the authority granted under this section to the Hampton Roads Transportation Authority as soon as practicable.

C. No locality imposing the fee pursuant to this section shall cease to impose such fee so long as the Hampton Roads 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.

§ 58.1-811. Exemptions.

A. The taxes imposed by §§ 58.1-801 and 58.1-807 shall not apply to any deed conveying real estate or lease of real estate:

- 2143 1. To an incorporated college or other incorporated institution of learning not conducted for profit,
2144 where such real estate is intended to be used for educational purposes and not as a source of revenue or
2145 profit;
- 2146 2. To an incorporated church or religious body or to the trustee or trustees of any church or religious
2147 body, or a corporation mentioned in § 57-16.1, where such real estate is intended to be used exclusively
2148 for religious purposes, or for the residence of the minister of any such church or religious body;
- 2149 3. To the United States, the Commonwealth, or to any county, city, town, district or other political
2150 subdivision of the Commonwealth;
- 2151 4. To the Virginia Division of the United Daughters of the Confederacy;
- 2152 5. To any nonstock corporation organized exclusively for the purpose of owning or operating a
2153 hospital or hospitals not for pecuniary profit;
- 2154 6. To a corporation upon its organization by persons in control of the corporation in a transaction
2155 which qualifies for nonrecognition of gain or loss pursuant to § 351 of the Internal Revenue Code as it
2156 exists at the time of the conveyance;
- 2157 7. From a corporation to its stockholders upon complete or partial liquidation of the corporation in a
2158 transaction which qualifies for income tax treatment pursuant to § 331, 332, 333 or 337 of the Internal
2159 Revenue Code as it exists at the time of liquidation;
- 2160 8. To the surviving or new corporation, partnership or limited liability company upon merger or
2161 consolidation of two or more corporations, partnerships or limited liability companies, or in a
2162 reorganization within the meaning of § 368 (a) (1) (C) and (F) of the Internal Revenue Code as
2163 amended;
- 2164 9. To a subsidiary corporation from its parent corporation, or from a subsidiary corporation to a
2165 parent corporation, if the transaction qualifies for nonrecognition of gain or loss under the Internal
2166 Revenue Code as amended;
- 2167 10. To a partnership or limited liability company, when the grantors are entitled to receive not less
2168 than 50 percent of the profits and surplus of such partnership or limited liability company; provided that
2169 the transfer to a limited liability company is not a precursor to a transfer of control of the assets of the
2170 company to avoid recordation taxes;
- 2171 11. From a partnership or limited liability company, when the grantees are entitled to receive not less
2172 than 50 percent of the profits and surplus of such partnership or limited liability company; provided that
2173 the transfer from a limited liability company is not subsequent to a transfer of control of the assets of
2174 the company to avoid recordation taxes;
- 2175 12. To trustees of a revocable inter vivos trust, when the grantors in the deed and the beneficiaries of
2176 the trust are the same persons, regardless of whether other beneficiaries may also be named in the trust
2177 instrument, when no consideration has passed between the grantor and the beneficiaries; and to the
2178 original beneficiaries of a trust from the trustees holding title under a deed in trust;
- 2179 13. When the grantor is the personal representative of a decedent's estate or trustee under a will or
2180 inter vivos trust of which the decedent was the settlor, other than a security trust defined in § 55-58.1,
2181 and the sole purpose of such transfer is to comply with a devise or bequest in the decedent's will or to
2182 transfer title to one or more beneficiaries after the death of the settlor in accordance with a dispositive
2183 provision in the trust instrument; or
- 2184 14. When the grantor is an organization exempt from taxation under § 501 (c) (3) of the Internal
2185 Revenue Code that is organized and operated primarily to acquire land and purchase materials to erect
2186 or rehabilitate low-cost homes on such land, which homes are sold at cost to persons who otherwise
2187 would be unable to afford to buy a home through conventional means, located in a county with a
2188 population of not less than 28,500 and not more than 28,650 or a city with a population of not less than
2189 66,000 and not more than 70,000.
- 2190 B. The taxes imposed by §§ 58.1-803 and 58.1-804 shall not apply to any deed of trust or mortgage:
- 2191 1. Given by an incorporated college or other incorporated institution of learning not conducted for
2192 profit;
- 2193 2. Given by the trustee or trustees of a church or religious body or given by an incorporated church
2194 or religious body, or given by a corporation mentioned in § 57-16.1;
- 2195 3. Given by any nonstock corporation organized exclusively for the purpose of owning and/or
2196 operating a hospital or hospitals not for pecuniary profit;
- 2197 4. Given by any local governmental entity or political subdivision of the Commonwealth to secure a
2198 debt payable to any other local governmental entity or political subdivision; or
- 2199 5. Securing a loan made by an organization described in subdivision 14 of subsection A of this
2200 section.
- 2201 C. The tax imposed by § 58.1-802 *and the fees imposed by §§ 58.1-802.1 and 58.1-802.2* shall not
2202 apply to any:
- 2203 1. Transaction described in subdivisions 6 through 13 of subsection A of this section;
- 2204 2. Instrument or writing given to secure a debt;

3. Deed conveying real estate from an incorporated college or other incorporated institution of learning not conducted for profit;

4. Deed conveying real estate from the United States, the Commonwealth or any county, city, town, district or other political subdivision thereof;

5. Conveyance of real estate to the Commonwealth or any county, city, town, district or other political subdivision thereof, if such political unit is required by law to reimburse the parties taxable pursuant to § 58.1-802 or subject to the fee under § 58.1-802.1 or 58.1-802.2; or

6. Deed conveying real estate from the trustee or trustees of a church or religious body or from an incorporated church or religious body, or from a corporation mentioned in § 57-16.1.

D. No recordation tax shall be required for the recordation of any deed of gift between a grantor or grantors and a grantee or grantees when no consideration has passed between the parties. Such deed shall state therein that it is a deed of gift.

E. The tax imposed by § 58.1-807 shall not apply to any lease to the United States, the Commonwealth, or any county, city, town, district or other political subdivision of the Commonwealth.

F. The taxes and fees imposed by §§ 58.1-801, 58.1-802, 58.1-802.1, 58.1-802.2, 58.1-807, 58.1-808 and 58.1-814 shall not apply to (i) any deed of gift conveying real estate or any interest therein to The Nature Conservancy or (ii) any lease of real property or any interest therein to The Nature Conservancy, where such deed of gift or lease of real estate is intended to be used exclusively for the purpose of preserving wilderness, natural or open space areas.

G. The words "trustee" or "trustees," as used in subdivision 2 of subsection A, subdivision 2 of subsection B, and subdivision 6 of subsection C, include the trustees mentioned in § 57-8 and the ecclesiastical officers mentioned in § 57-16.

H. No recordation tax levied pursuant to this chapter shall be levied on the release of a contractual right, if the release is contained within a single deed that performs more than one function, and at least one of the other functions performed by the deed is subject to the recordation tax.

I. No recordation tax levied pursuant to this chapter shall be levied on a deed, lease, easement, release, or other document recorded in connection with a concession pursuant to the Public-Private Transportation Act of 1995 (§ 56-556 et seq.) or similar federal law.

§ 58.1-815.01. *Commonwealth Transportation Capital Projects Fund.*

There is hereby created in the Department of the Treasury a special nonreverting fund which shall be a part of the Transportation Trust Fund and which shall be known as the Transportation Capital Projects Fund, consisting of a portion of the annual collections of the state recordation taxes imposed by this chapter; provided, however, that this dedication shall not affect the local recordation taxes under subsection B of § 58.1-802 and § 58.1-814. The amounts to be deposited into the Transportation Capital Projects Fund are as follows: (i) in fiscal year 2009, \$148,000,000; (ii) in each fiscal year from 2010 through 2016, \$172,000,000; (iii) in each fiscal year thereafter, until such time as the bonds authorized pursuant to subdivision 4f of § 33.1-269, \$185,000,000 have been fully paid. The Fund shall also include such other funds as may be appropriated by the General Assembly from time to time, and designated for this Fund, and all interest, dividends and appreciation which may accrue thereto. Any moneys remaining in the Fund at the end of a biennium shall not revert to the General Fund, but shall remain in the Fund.

The revenues in the Fund shall first be used for the debt service requirements on any bonds issued pursuant to subdivision 4f of § 33.1-269. If the balances available in the Fund, combined with the annual deposit in any given year, exceed the amount required to pay the debt service requirements of such bonds, the excess amounts may be transferred by the Commonwealth Transportation Board to the Priority Transportation Fund established pursuant to § 33.1-23.03:8.

§ 58.1-815.02. *Allocation of Proceeds of Commonwealth of Virginia Transportation Capital Projects Revenue Bonds.*

The Commonwealth Transportation Board shall allocate, use, and distribute the proceeds of any bonds it is authorized to issue on or after July 1, 2007, pursuant to subdivision 4f of § 33.1-269, as follows:

1. A minimum of 15.7 percent of the bond proceeds shall be used for transit capital.

2. A minimum of 4.3 percent of the bond proceeds shall be deposited into the Rail Enhancement Fund established under § 33.1-221.1:1 and used consistent with the provisions of such section.

3. The remaining amount of bond proceeds shall be used for paying the costs incurred or to be incurred for construction or funding of priority transportation projects on the primary or Interstate systems of highways, excluding maintenance projects, as determined by the Commonwealth Transportation Board. The Commonwealth Transportation Board shall allocate the proceeds of any bonds issued pursuant to this subdivision in such amounts so that the proportion of total bond proceeds from the combined issuances authorized pursuant to subdivision 4f of § 33.1-269 allocated to projects in each construction district shall equal, within a 10 percent margin, the respective percentage share of

2266 total primary, secondary and urban system construction allocations for each Department of
2267 Transportation construction district in the Fiscal Years 2007-2012 Six Year Improvement Program as
2268 adopted by the Commonwealth Transportation Board. Costs incurred or to be incurred for construction
2269 or funding of these priority transportation projects shall include, but are not limited to, environmental
2270 and engineering studies, rights-of-way acquisition, improvements to all modes of transportation,
2271 acquisition, construction and related improvements, and any financing costs or other financing expenses
2272 relating to such bonds. Such costs may include the payment of interest on such bonds for a period
2273 during construction and not exceeding one year after completion of construction of the relevant project.

2274 Article 4.1.

2275 Motor Vehicle Fuel Sale Tax in Certain Localities

2276 § 58.1-1724.2. Rules and regulations; bracket system.

2277 The Tax Commissioner shall promulgate rules and regulations for the registration of dealers and the
2278 procedures for filing returns for the payment of the tax imposed pursuant to this article. Such
2279 regulations shall include provisions for a bracket system, designed so that the tax will appear on the
2280 fuel pump as a part of the total cost of a unit of fuel, whether the unit is a gallon or other measure.
2281 The bracket system shall state the tax per unit measure in tenths of a cent, and shall be in increments of
2282 no more than 2 1/2¢.

2283 § 58.1-1724.3. Sales tax on fuel in certain localities.

2284 A. 1. Beginning January 1, 2008, in addition to all other taxes, fees, and other charges imposed on
2285 fuels subject to tax under Chapter 22 (§ 58.1-2200 et seq.) of this title, the governing body of each of
2286 the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport
2287 News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg may, by ordinance,
2288 impose a sales tax of two percent of the retail price of such fuels sold at retail within such county or
2289 city, provided that the governing body authorizes the Commissioner to transfer the revenues collected to
2290 the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for the purposes
2291 set forth in § 33.1-391.16. As used in this section "sold at retail" means a sale to a consumer or to any
2292 person for any purpose other than resale.

2293 2. At such time as the Chesapeake Bay Bridge-Tunnel becomes subject to the control of the Hampton
2294 Roads Transportation Authority as provided in § 33.1-391.12, the governing body of each of the
2295 Counties of Accomack and Northampton may by ordinance impose the tax under subdivision 1, provided
2296 that the governing body authorizes the Commissioner to transfer the revenues collected to the Hampton
2297 Roads Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in
2298 § 33.1-391.16.

2299 B. The tax imposed under this section shall be subject to the provisions of the Virginia Retail Sales
2300 and Use Tax Act (§ 58.1-600 et seq.), except that the exemption provided for motor vehicle fuels under
2301 § 58.1-609.1, and the bracket system provided in such act, shall not be applicable.

2302 C. No locality imposing the tax pursuant to this section shall cease to impose such tax so long as the
2303 Hampton Roads Transportation Authority (i) is engaged in a transportation project within the
2304 boundaries of the locality, (ii) has entered into a binding commitment to begin a transportation project
2305 within the boundaries of the locality, or (iii) has issued bonds or incurred other evidence of debt that
2306 has not been satisfied or paid in full and that relates to a transportation project undertaken by the
2307 Authority within the boundaries of the locality.

2308 § 58.1-1724.4. Exclusion from professional license tax.

2309 The amount of the tax imposed by this article and collected by a dealer in any taxable year shall be
2310 excluded from gross receipts for purposes of any tax imposed under Chapter 37 (§ 58.1-3700 et seq.) of
2311 this title.

2312 § 58.1-1724.5. Refund of motor vehicle fuel sales tax.

2313 Anyone who purchases fuel (i) that is taxed under the provisions of § 58.1-1724.3 and (ii) upon
2314 which a refund is granted for motor fuels taxes paid pursuant to the provisions of Chapter 22
2315 (§ 58.1-2200 et seq.), may file a claim for a refund of taxes paid under this article within thirty days
2316 after receipt of a refund under the above chapter on forms and under regulations adopted by the
2317 Department of Taxation.

2318 § 58.1-1724.6. Disposition of tax revenues.

2319 All taxes paid to the Commissioner pursuant to this article, after subtraction of the direct costs of
2320 administration by the Department, shall be transferred to the Hampton Roads Transportation Authority
2321 on a monthly basis.

2322 § 58.1-1724.7. Disclosure of information; penalties.

2323 For purposes of administering the tax levied under this article, the Commissioner, upon written
2324 request, is authorized to provide to the finance officer of any city or county who is charged with
2325 administering the motor vehicle fuel sales tax, such information as may be necessary for the
2326 performance of official duties. Any person to whom information is provided pursuant to this section
2327 shall be subject to the prohibitions and penalties prescribed in § 58.1-3.

§ 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 daily rental of a vehicle in the locality wherein the daily rental of the vehicle occurs, regardless of whether such vehicle is required to be licensed in the Commonwealth; provided that the county or city authorizes the transfer of the revenue collected pursuant to subsection B. 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 authorize the Commissioner to transfer 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, enforced, and collected.

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

A. 1. Beginning January 1, 2008, in addition to all other taxes, fees, and other charges imposed under law, and 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, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg may, by ordinance, impose a fee of 2% of the gross proceeds on the daily rental of a vehicle in the locality wherein the daily rental of the vehicle occurs regardless of whether such vehicle is required to be licensed in the Commonwealth, provided that the governing body of the locality authorizes the Commissioner to transfer the revenues collected from such fee to the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.16. 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.

2. 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, the governing body of each of the Counties of Accomack and Northampton may by ordinance impose the fee described under subdivision 1, provided that the governing body of the respective county authorizes the Commissioner to transfer the revenues collected from such tax to the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.16.

B. 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, enforced, and collected.

C. Any and all fees imposed pursuant to this section shall be collected by the Department of Motor Vehicles and shall 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 each vehicle registered.

D. No locality imposing the fee pursuant to this section shall cease to impose such fee so long as the Hampton Roads 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.

§ 58.1-2403. Exemptions.

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

1. Sold to, rented or used by the United States government or any governmental agency thereof;
2. Sold to, rented or used by the Commonwealth of Virginia or any political subdivision thereof;
3. Registered in the name of a volunteer fire department or rescue squad not operated for profit;

- 2389 4. Registered to any member of the Mattaponi, Pamunkey, or Chickahominy Indian tribes or any
2390 other recognized Indian tribe of the Commonwealth living on the tribal reservation;
- 2391 5. Transferred incidental to repossession under a recorded lien and ownership is transferred to the
2392 lienholder;
- 2393 6. A manufactured home permanently attached to real estate and included in the sale of real estate;
- 2394 7. A gift to the spouse, son, or daughter of the transferor. With the exception of a gift to a spouse,
2395 this exemption shall not apply to any unpaid obligation assumed by the transferee incidental to the
2396 transfer;
- 2397 8. Transferred from an individual or partnership to a corporation or limited liability company or from
2398 a corporation or limited liability company to an individual or partnership if the transfer is incidental to
2399 the formation, organization or dissolution of a corporation or limited liability company in which the
2400 individual or partnership holds the majority interest;
- 2401 9. Transferred from a wholly owned subsidiary to the parent corporation or from the parent
2402 corporation to a wholly owned subsidiary;
- 2403 10. Being registered for the first time in this Commonwealth and the applicant holds a valid,
2404 assignable title or registration issued to him by another state or a branch of the United States Armed
2405 Forces and (i) has owned the vehicle for longer than 12 months or (ii) has owned the vehicle for less
2406 than 12 months and provides evidence of a sales tax paid to another state. However, when a vehicle has
2407 been purchased by the applicant within the last 12 months and the applicant is unable to provide
2408 evidence of a sales tax paid to another state, the applicant shall pay the Virginia sales tax based on the
2409 fair market value of the vehicle at the time of registration in Virginia;
- 2410 11. Titled in a Virginia or non-Virginia motor vehicle dealer's name for resale;
- 2411 12. A motor vehicle having seats for more than seven passengers and sold to an urban or suburban
2412 bus line the majority of whose passengers use the buses for traveling a distance of less than 40 miles,
2413 one way, on the same day;
- 2414 13. Purchased in the Commonwealth by a nonresident and a Virginia title is issued for the sole
2415 purpose of recording a lien against the vehicle if the vehicle will be registered in a state other than
2416 Virginia;
- 2417 14. A motor vehicle designed for the transportation of 10 or more passengers, purchased by and for
2418 the use of a church conducted not for profit;
- 2419 15. Loaned or leased to a private nonprofit institution of learning, for the sole purpose of use in the
2420 instruction of driver's education when such education is a part of such school's curriculum for full-time
2421 students;
- 2422 16. Sold to an insurance company or local government group self-insurance pool, created pursuant to
2423 § 15.2-2703, for the sole purpose of disposition when such company has paid the registered owner of
2424 such vehicle a total loss claim;
- 2425 17. Owned and used for personal or official purposes by accredited consular or diplomatic officers of
2426 foreign governments, their employees or agents, and members of their families, if such persons are
2427 nationals of the state by which they are appointed and are not citizens of the United States;
- 2428 18. A self-contained mobile computerized axial tomography scanner sold to, rented or used by a
2429 nonprofit hospital or a cooperative hospital service organization as described in § 501 (e) of the United
2430 States Internal Revenue Code;
- 2431 19. A motor vehicle having seats for more than seven passengers and sold to a restricted common
2432 carrier or common carrier of passengers;
- 2433 20. Beginning July 1, 1989, a self-contained mobile unit designed exclusively for human diagnostic
2434 or therapeutic service, sold to, rented to, or used by a nonprofit hospital, or a cooperative hospital
2435 service organization as described in § 501 (e) of the United States Internal Revenue Code, or a nonprofit
2436 corporation as defined in § 501 (c) (3) of the Internal Revenue Code, established for research in,
2437 diagnosis of, or therapy for human ailments;
- 2438 21. Transferred, as a gift or through a sale to an organization exempt from taxation under § 501 (c)
2439 (3) of the Internal Revenue Code, provided the motor vehicle is not titled and tagged for use by such
2440 organization;
- 2441 22. A motor vehicle sold to an organization which is exempt from taxation under § 501 (c) (3) of the
2442 Internal Revenue Code and which is organized for the primary purpose of distributing food, clothing,
2443 medicines and other necessities of life to, and providing shelter for, needy persons in the United States
2444 and throughout the world;
- 2445 23. A truck, tractor truck, trailer, or semitrailer, as severally defined in § 46.2-100, except trailers and
2446 semitrailers not designed or used to carry property and vehicles registered under § 46.2-700, with a gross
2447 vehicle weight rating or gross combination weight rating of 26,001 pounds or more, in which case no
2448 tax shall be imposed pursuant to subdivisions 1 and 3 of subsection A of § 58.1-2402;
- 2449 24. Transferred to the trustees of a revocable inter vivos trust, when the individual titleholder of a
2450 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.

§ 58.1-2425. Disposition of revenues.

A. ~~Except as provided in § 58.1-2402.1 and 58.1-2402.2~~ all funds collected hereunder by the Commissioner shall be forthwith paid into the state treasury. Except as otherwise provided in § 58.1-2402.1, 58.1-2402.2, and in this section, these funds 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. The revenue so derived, after refunds have been deducted, is hereby allocated for the construction, reconstruction and maintenance of highways and the regulation of traffic thereon and for no other purpose. However, (i) all funds collected pursuant to the provisions of this chapter from manufactured homes, as defined in § 46.2-100, shall be distributed to the city, town, or county wherein such manufactured home is to be situated as a dwelling; (ii) all funds collected from the additional tax imposed by subdivision A 4 of § 58.1-2402 on the rental of daily rental vehicles shall be distributed quarterly to the city, town, or county wherein such vehicle was delivered to the rentee; (iii) effective January 1, 1987, an amount equivalent to the net additional revenues generated by enactments of the 1986 Special Session of the Virginia General Assembly which amended §§ 46.2-694, 46.2-697, 58.1-2401, 58.1-2402 and this section shall be distributed to and paid into the Transportation Trust Fund, a special fund within the Commonwealth Transportation Fund, and are hereby appropriated to the Commonwealth Transportation Board for transportation needs; (iv) except as otherwise provided in clause (iii) of this sentence, all moneys collected from the tax on the gross proceeds from the rental in Virginia of any motor vehicle pursuant to subdivision A 3 of § 58.1-2402 at the tax rate in effect on December 31, 1986, shall be paid by the Commissioner into the state treasury and shall be paid into the Rail Enhancement Fund established by § 33.1-221.1:1.1; and (v) all additional revenues resulting from the fee imposed under subdivision A 5 of § 58.1-2402 as enacted by the 2004 Session of the General Assembly shall be used to pay the debt service on the bonds issued by the Virginia Public Building Authority for the Statewide Agencies Radio System (STARS) for the Department of State Police pursuant to the authority granted by the 2004 Session of the General Assembly.

B. As provided in subsection A of § 58.1-638, of the funds becoming part of the Transportation Trust Fund pursuant to clause (iii) of subsection A of this section, an aggregate of 4.2 percent shall be set aside as the Commonwealth Port Fund; an aggregate of 2.4 percent shall be set aside as the Commonwealth Airport Fund; and an aggregate of 14.5 percent in fiscal year 1998-1999 and 14.7 percent in fiscal year 1999-2000 and thereafter shall be set aside as the Commonwealth Mass Transit Fund.

§ 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, less one-third of the total amount of such tax refunded in the immediately preceding calendar year, shall be deposited by the Comptroller to the Transportation Trust Fund and used according to § 33.1-23.03:10.

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 the amount to be deposited pursuant to subsection A. After the required amount has been deposited 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.

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

2512 commercial real property tax.

2513 A. Beginning January 1, 2008, solely for the purposes of imposing the tax authorized pursuant to
2514 this section, in the counties and cities that are included in the Northern Virginia Transportation
2515 Authority established pursuant to § 15.2-4830, real estate used for commercial or industrial purposes is
2516 hereby declared to be a separate class of property. Real estate used for commercial or industrial
2517 purposes does not include real estate for which no permit for use has been issued for occupancy of any
2518 premises for commercial use. For purposes of this section, real property that is zoned to permit
2519 multiunit residential use that is primarily leased or rented to residential tenants of other occupants by
2520 an owner who is engaged in such a business, excluding any portion of such real property in which the
2521 units are rent-restricted through the property's participation in a tax credit program, federal mortgage
2522 program, affordable unit program, voucher program, or other government program that establishes rent
2523 by law, formulas, or agreements, shall be deemed to be property in commercial use.

2524 B. In addition to all other taxes and fees permitted by law, the governing body of any such locality
2525 may, by ordinance, create one or more special regional transportation tax districts and impose in any
2526 such district or districts a transportation impact commercial real property tax at the rate of 0.25% of
2527 the fair market value of such property, subject to the following:

2528 1. That at the time of the adoption of such ordinance or ordinances, at least 85% of the total
2529 assessed value of the locality's transportation impact commercial real property as defined in section
2530 58.1-3221.2, is located within a district or districts created pursuant to this Act or a district created
2531 pursuant to Chapters 46, 47 or 48 of Title 15.2; or Chapter 13 of Title 33.1.

2532 2. That the ordinance provides for the tax to be imposed annually;

2533 3. That no such ordinance apply to an area embraced by or a district created pursuant to Chapters
2534 46, 47 or 48 of Title 15.2; or Chapter 13 of Title 33.1.

2535 4. In calculating the taxes and fees attributable to multi-unit residential property, the tax and fee
2536 shall be 0.25% of the fair market value of such property divided by the total number of units contained
2537 in the property. The number of units that are rent-restricted through the property's participation in a
2538 tax credit program, federal mortgage program, affordable unit program, voucher program, or other
2539 government program that establishes rent by law, formulas or agreements shall be subtracted from the
2540 total number of units and the resulting remainder shall be multiplied by the per unit fair market value
2541 to determine the assessment for such property; and

2542 5. That the revenue generated from such tax be used for the benefit of the tax district to which the
2543 revenue is attributable.

2544 6. The governing body of any locality imposing the additional tax imposed pursuant to this section
2545 transfers the additional revenue generated to the Northern Virginia Transportation Authority and the
2546 revenue is used according to the provisions of § 15.2-4838.1 for the benefit of the tax district to which
2547 the revenue is attributable.

2548 C. No locality imposing the tax pursuant to this section shall cease to impose such tax so long as the
2549 Northern Virginia Transportation Authority (i) is engaged in a transportation project that benefits the
2550 tax district in which the tax is imposed, (ii) has entered into a binding commitment to begin a
2551 transportation project that will benefit the tax district in the tax is imposed, or (iii) has issued bonds or
2552 incurred other evidence of debt that has not been satisfied or paid in full and that relates to a
2553 transportation project undertaken by the Authority that benefits the tax district in which the tax is
2554 imposed.

2555 D. The tax imposed pursuant to the authority granted under this section shall be administered,
2556 enforced, and collected in the same manner as set forth in Subtitle III of Title 58.1 for the
2557 administration, enforcement, and collection of local taxes.

2558 § 58.1-3221.3. Classification of commercial real property in certain localities; transportation impact
2559 commercial real property tax.

2560 A. Solely for the purposes of imposing the tax authorized pursuant to this section, in the Counties of
2561 Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk,
2562 Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg, commercial real estate is hereby
2563 declared to be a separate class of property solely for the purpose of funding regional transportation
2564 improvements pursuant to § 33.1-391.16. As used in this section "commercial real estate" means any
2565 real estate other than (i) real estate containing one to four residential units, (ii) real estate on which no
2566 buildings are located, or (iii) real estate classified for assessment purposes under the provisions of
2567 Article 4 (§ 58.1-3230 et seq.) of Chapter 32 of Title 58.1. Commercial real estate shall not include
2568 single family residential units, including condominiums, townhouses, apartments or homes in a
2569 subdivision when leased on a unit by unit basis even though these units may be part of a larger
2570 building or parcel of real estate containing more than four residential units.

2571 In addition to all other taxes and fees permitted by law, the governing body of any such locality
2572 may, by ordinance, declare the entire locality a special regional transportation tax district and impose a
2573 transportation impact commercial real property tax at the rate of 0.10% of the fair market value of such

property; provided that the governing body of the locality transfers the revenues collected from such to the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used pursuant to § 33.1-391.16.

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.

B. 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, in the Counties of Accomack and Northampton, commercial real estate shall also be declared a separate class of property solely for the purpose of funding regional transportation improvements pursuant to § 33.1-391.16. The governing body of each such locality may by ordinance declare the entire locality a special tax district and impose the tax described under subsection A, provided that the governing body of the locality transfers the revenues collected from such tax to the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.16.

C. No locality imposing the tax pursuant to this section shall cease to impose such tax so long as the Hampton Roads 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.

§ 58.1-3825.1. Additional transient occupancy tax in certain counties and cities in Northern Virginia.

In addition to such transient occupancy taxes as are authorized by this chapter, the Counties of Arlington, Fairfax, Loudoun, and Prince William and the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park may impose an additional transient occupancy tax at the rate of 2 percent of the amount of charge for the occupancy of any room or space occupied, provided that the governing body of the city or county transfers the revenues collected to the Northern Virginia Transportation Authority. Such revenues shall be used according to the provisions of § 15.2-4838.1.

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 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.

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 \$2,500,000,000, 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 § 58.1-815.02 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 any investment earnings thereon, may, at the discretion of the Commonwealth Transportation Board, secure the payment of principal or purchase price of and redemption premium, if any, and interest on

2635 *the Notes.*

2636 § 5. *The terms and structure of each issue of the Notes shall be determined by the Commonwealth*
2637 *Transportation Board, subject to approval by the Treasury Board in accordance with § 2.2-2416 of the*
2638 *Code of Virginia, as amended. The Notes of each issue shall be dated; shall be issued in a principal*
2639 *amount (subject to the limitations set forth in § 1); shall bear interest at such rate or rates, which may*
2640 *be fixed, adjustable, variable or a combination thereof and may be determined by a formula or other*
2641 *method; shall mature at such time or times not exceeding 20 years after the issuance thereof; and may*
2642 *be made subject to purchase or redemption before their maturity or maturities, at such price or prices*
2643 *and under such terms and conditions, all as may be determined by the Commonwealth Transportation*
2644 *Board. The Commonwealth Transportation Board shall determine the form of the Notes, whether the*
2645 *Notes are certificated or uncertificated, and fix the authorized denomination or denominations of the*
2646 *Notes and the place or places of payment of principal or purchase price of, and redemption premium, if*
2647 *any, and interest on the Notes, which may be at the office of the State Treasurer or any bank or trust*
2648 *company within or without the Commonwealth. The principal or purchase price of, and redemption*
2649 *premium, if any, and interest on the Notes shall be made payable in lawful money of the United States*
2650 *of America. Each issue of the Notes may be issued under a system of book entry for recording the*
2651 *ownership and transfer of ownership of rights to receive payments of principal or purchase price of and*
2652 *redemption premium, if any, and interest on such Notes. All Notes shall have and are hereby declared*
2653 *to have, as between successive holders, all of the qualities and incidents of negotiable instruments under*
2654 *the negotiable instruments law of the Commonwealth.*

2655 *The Commonwealth Transportation Board may sell the Notes from time to time at public or private*
2656 *sale, by competitive bidding, negotiated sale, or private placement, for such price or prices as it may*
2657 *determine to be in the best interests of the Commonwealth.*

2658 § 6. *The Notes shall be signed on behalf of the Commonwealth Transportation Board by the*
2659 *chairman or vice-chairman of the Commonwealth Transportation Board, or shall bear the facsimile*
2660 *signature of such officer, and shall bear the official seal of the Board, which shall be attested to by the*
2661 *manual or facsimile signature of the secretary or assistant secretary of the Commonwealth*
2662 *Transportation Board. In the event that the Notes shall bear the facsimile signature of the chairman or*
2663 *vice-chairman of the Commonwealth Transportation Board, such Notes shall be signed by such*
2664 *administrative assistant as the chairman of the Transportation Board shall determine or by any*
2665 *registrar/paying agent who may be designated by the Commonwealth Transportation Board. In case any*
2666 *officer whose signature or a facsimile of whose signature appears on any Notes shall cease to be such*
2667 *officer before the delivery of such Notes, such signature or facsimile signature nevertheless shall be*
2668 *valid and sufficient for all purposes as if such officer had remained in office until such delivery.*

2669 § 7. *All expenses incurred under this Act or in connection with the issuance of the Notes shall be*
2670 *paid from the proceeds of such Notes or from any available funds as the Commonwealth Transportation*
2671 *Board shall determine.*

2672 § 8. *The Commonwealth Transportation Board is hereby authorized to borrow money at such rate or*
2673 *rates through the execution and issuance of the Notes for the same, but only in the following*
2674 *circumstances and under the following conditions:*

2675 *a. In anticipation of the sale of the Notes, the issuance of which shall have been authorized by the*
2676 *Commonwealth Transportation Board and shall have been approved by the Governor, if the*
2677 *Commonwealth Transportation Board shall deem it advisable to postpone the issuance of such Notes; or*

2678 *b. For the renewal of any anticipation notes herein authorized.*

2679 § 9. *The proceeds of the Notes and of any anticipation notes herein authorized (except the proceeds*
2680 *of the Notes the issuance of which has been anticipated by such anticipation notes) shall be placed by*
2681 *the State Treasurer in a special fund in the state treasury, or may be placed with a trustee in*
2682 *accordance with § 33.1-283 of the Code of Virginia, as amended, and shall be disbursed only for the*
2683 *purpose for which such Notes and such anticipation notes shall be issued; provided, however, that*
2684 *proceeds derived from the sale of the Notes herein authorized shall be first used in the payment of any*
2685 *anticipation notes that may have been issued in anticipation of the sale of such Notes and any renewals*
2686 *of such Notes. The proceeds of the Notes and of any anticipation notes herein authorized, together with*
2687 *any investment earnings thereon, shall not be taken into account in computing, and shall be in addition*
2688 *to funds allocated pursuant to the highway allocation formula set forth in § 33.1-23.1 of the Code of*
2689 *Virginia, as amended.*

2690 § 10. *The Commonwealth Transportation Board is hereby authorized to receive any other funds that*
2691 *may be made available to pay costs of the projects and, subject to appropriation, to make available the*
2692 *same to the payment of the principal or purchase price of, and redemption premium, if any, and interest*
2693 *on the Notes authorized hereby and to enter into the appropriate agreements to allow for those funds to*
2694 *be paid into the state treasury, or to a trustee in accordance with § 33.1-283 of the Code of Virginia, as*
2695 *amended, to pay a part of the costs of the projects or to pay principal or purchase price of, and*
2696 *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; §§ 46.2-755.1, 46.2-755.2, 46.2-1167.1; subsection K of § 58.1-605, subsection H of 58.1-606; and §§ 58.1-802.1, 58.1-802.2, 58.1-1724.3, 58.1-2402.2, 58.1-3221.2, 58.1-3221.3, and 58.1-3825.1 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; §§ 46.2-755.1, 46.2-755.2, 46.2-1167.1; subsection K of § 58.1-605, subsection H of 58.1-606; and §§ 58.1-802.1, 58.1-802.2, 58.1-1724.3, 58.1-2402.2, 58.1-3221.2, 58.1-3221.3, and 58.1-3825.1 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, if the Hampton Roads Transportation Authority becomes effective January 1, 2008, pursuant to the eighth 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. In addition, the Northern Virginia Transportation Authority established under § 15.2-4830 of the Code of Virginia shall also develop as part of a long-range transportation plan performance measures for the area encompassed by the Authority 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.

8. That §§ 33.1-391.6 through 33.1-391.18 of the Code of Virginia, and the fees and taxes set forth under §§ 46.2-755.1, 46.2-755.2, 46.2-1167.1, subsection K of § 58.1-605, subsection H of § 58.1-606, and §§ 58.1-802.2, 58.1-1724.3, 58.1-2402.2, and 58.1-3221.3 of the Code of Virginia are conditional upon the following: (i) at least seven of the governing bodies of each of the counties and cities set forth in § 33.1-391.9 comprising at least 50 percent of the population in all such counties and cities, each pass a duly adopted ordinance on or before December 31, 2007, that indicates the local governing body is joining the Hampton Roads Transportation Authority (§ 33.1-391.6 et seq.) effective January 1, 2008, and that designates the member of the local governing body who shall

2758 serve on the Authority upon its creation; (ii) each such ordinance also adopts and imposes,
2759 effective January 1, 2008, all of the taxes and fees set forth under §§ 46.2-755.1, 46.2-755.2,
2760 46.2-1167.1, subsection K of § 58.1-605, subsection H of § 58.1-606, and §§ 58.1-802.2, 58.1-1724.3,
2761 58.1-2402.2, and 58.1-3221.3.

2762 Each county and city passing such ordinance by September 1, 2007, shall provide a copy of the
2763 ordinance to the Clerk of the House of Delegates and the Clerk of the Senate as soon as
2764 practicable.

2765 9. That the provisions of this act providing for the General Assembly to elect members of the
2766 Commonwealth Transportation Board shall not affect members of the Board appointed prior to
2767 July 1, 2007.

2768 10. That the Virginia Department of Transportation, with the advice and consent of the
2769 Commonwealth Transportation Board, shall, on or before January 1, 2009, reconsider and
2770 reassign the various highways, bridges, and other facilities comprising the state primary,
2771 secondary, and urban highway systems so that the assignment of components to such systems is
2772 based, to the maximum degree practicable, solely upon the components' functional classification.

2773 11. That the Virginia Department of Transportation shall, on or before January 1, 2008, submit a
2774 written report to the General Assembly on its plans to create opportunities to enhance mobility
2775 and free-flowing traffic on Department-controlled toll facilities by embracing technological
2776 advances.

2777 12. That nothing in this act shall be construed to prohibit any county or city that imposes any of
2778 the fees authorized pursuant to subsection B of § 46.2-332; §§ 46.2-755.1, 46.2-755.2, 46.2-1167.1;
2779 subsection K of § 58.1-605, subsection H of § 58.1-606; and §§ 58.1-802.1, 58.1-802.2, 58.1-1724.3,
2780 58.1-2402.2, 58.1-3221.2, 58.1-3221.3, and 58.1-3825.1 pursuant to the provisions of this act, from
2781 reducing or repealing any other fees or taxes.

2782 13. That the tenth enactment clauses of Chapter 1019 and Chapter 1044 of the Acts of Assembly
2783 of 2000 are repealed effective July 1, 2008.

2784 14. That counties shall have until July 1, 2011, to amend their comprehensive plans in accordance
2785 with the provisions of § 15.2-2223.1 of the Code of Virginia pursuant to this act.

2786 15. That the Speaker of the House and Majority Leader of the Senate shall appoint a joint
2787 subcommittee to identify ways to cut expenses in the operation of state government. The joint
2788 subcommittee shall conduct a systematic review of the effectiveness of state programs and make
2789 recommendations to the General Assembly. The joint subcommittee's review shall include ways
2790 agencies may operate more economically and efficiently; ways in which agencies can provide better
2791 services to the Commonwealth and its citizens; and areas in which functions of state agencies are
2792 duplicative or overlapping, fail to accomplish legislative objectives, or for any other reason should
2793 be redefined.

2794 16. That the fees collected pursuant to § 46.2-206.1 in the fiscal year ending June 30, 2008, shall
2795 be deposited and held in a special fund in the state treasury and transferred on August 15, 2008,
2796 to the Transportation Trust Fund and used according to § 33.1-23.03:10.

2797 17. That in conjunction with the construction of rail mass transit in the right of way of the Dulles
2798 Access/Toll Road Connector (DATRC), sound walls shall be constructed along residential
2799 properties from the beginning of the DATRC to Dulles International Airport.

2800 18. That the Commissioner of the Department of Taxation shall develop guidelines for purposes of
2801 implementation of the taxes under subsection K of § 58.1-605 and subsection H of § 58.1-606, of
2802 the Code of Virginia. The guidelines shall be made publicly available no later than October 1,
2803 2007.

2804 19. That the revenue generated by this act shall be used solely for transportation purposes.

2805 20. That should any portion of this act be held unconstitutional by a court of competent
2806 jurisdiction, the remaining portions of this act shall remain in effect.