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SENATE BILL NO. 1414

Offered January 19, 2007

A BILL to amend and reenact §§ 15.2-4831, 15.2-4839, 15.2-4840, 33.1-223.2:12, 46.2-332, and 58.1-2403 of the Code of Virginia; to amend the Code of Virginia by adding sections numbered 15.2-4838.1, 15.2-4838.2, 58.1-802.1, 58.1-2402.1, and 58.1-3221.2, relating to supplemental transportation funding for localities located in areas with high levels of traffic congestion.

Patrons—Devolites Davis and O'Brien

Referred to Committee on Transportation

Be it enacted by the General Assembly of Virginia:

1. That §§ 15.2-4831, 15.2-4839, 15.2-4840, 33.1-223.2:12, 46.2-332, and 58.1-2403 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding amend sections numbered 15.2-4838.1, 15.2-4838.2, 58.1-802.1, 58.1-2402.1, and 58.1-3221.2, as follows:

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

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

§ 15.2-4838.1. *Special Transportation Fund for Northern Virginia established.*

There is hereby created in the state treasury a special nonreverting fund to be known as the Special Transportation Fund for Northern Virginia, hereafter referred to as "the Fund." All revenues deposited into the Fund shall be deposited and held in a special trust fund under the control of the Authority. The State Treasurer, as necessary, shall establish a special trust fund entitled "Special Trust Fund Account of the Northern Virginia Transportation Authority" and shall deposit monthly any amounts to be deposited into such special trust fund from revenues collected by the Commonwealth on behalf of the Authority and subsequently deposited into the Fund.

Moneys in the Fund shall be used by the Authority solely for the purposes stated in this chapter, and the Authority shall have the powers and functions, mutatis mutandis, set forth in §§ 15.2-4518 and 15.2-4519.

§ 15.2-4838.2. *Use of certain revenues by the Authority.*

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

Notwithstanding any other provision of this chapter, the revenues deposited into the Special Transportation Fund for Northern Virginia pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, and 58.1-3221.2 and the proceeds of bonds issued pursuant to § 15.2-4839 shall be used first to pay any debt service owing on any bonds issued pursuant to § 15.2-4839, and then as follows:

A. *Up to the next \$50 million deposited into the Fund in each year shall be distributed to the Washington Metropolitan Area Transit Authority (WMATA) to provide funds to the Authority as may be required under federal law for the payment of certain federal funds to WMATA and shall be used for capital improvements for WMATA's transit service (Metro). The Authority shall make such annual distribution from such revenues (i) only to the extent required under federal law for the payment of federal funds to WMATA, (ii) only if the matching federal funds are exclusive of and in addition to the amount of other federal funds appropriated to the Commonwealth for transportation and such other federal funds are in an amount not less than the amount of such funds appropriated to the Commonwealth in the fiscal year ending June 30, 2007, and (iii) only if the County of Arlington and the City of Alexandria are imposing the fees pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, and 58.1-3221.2. For each year after 2018 the amount distributed pursuant to this subsection shall be used for the expansion of Metro or other rail service into Prince William County, but only if Prince William County is imposing the fees pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, and 58.1-3221.2;*

B. *The next \$30 million deposited into the Fund in each fiscal year shall be distributed to the Virginia Railway Express for capital improvements, including but not limited to construction of parking, dedicated rail on the Fredericksburg line, rolling stock, expanded service in Prince William County, and*

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59 service as may be needed as a result of the Base Realignment and Closure Commission regarding Fort
60 Belvoir. The Authority shall make such annual distribution from such revenues only if Prince William
61 County is imposing the fees pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, and
62 58.1-3221.2;

63 C. At least 45 percent of the revenues from such sources remaining after the distributions under
64 subsections A and B shall be distributed to the localities imposing the fees pursuant to subsection B of
65 § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, and 58.1-3221.2 on a pro rata basis, with each locality's
66 share being the total of such fees and taxes deposited into the Fund that are generated or attributable
67 to the locality divided by the total of such fees and taxes deposited into the Fund. Of the revenues
68 distributed pursuant to this subsection the first 50 percent shall be used solely for urban and secondary
69 road construction and improvements in consultation with members of the General Assembly representing
70 any locality which receives such revenue. The remainder, as determined solely by the applicable locality,
71 shall be used either for additional urban and secondary road construction; for other transportation
72 capital improvements which have been approved by the most recent long range transportation plan
73 adopted by the Authority; or for public transit purposes. None of the revenue distributed by this
74 subsection may be used to repay debt issued before January 1, 2008. Each locality shall provide
75 annually to the Northern Virginia Transportation Authority sufficient documentation as required by the
76 Authority showing that the funds distributed under this subsection were used as required by this
77 subsection. The funds under this subsection shall be conditioned on the following:

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

80 2. That for any county imposing the fees pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1,
81 58.1-2402.1, and 58.1-3221.2, all state secondary road construction funding due such county shall be
82 transferred to such county, and the county shall assume full responsibility for planning and constructing
83 secondary roads pursuant to § 33.1-75.3. Such county may contract with the Virginia Department of
84 Transportation, or any other entity to aid in the planning and construction;

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

87 E. Any remaining revenues from such sources shall be used by the Authority solely for transportation
88 projects for the localities that are imposing the fees pursuant to subsection B of § 46.2-332, and
89 §§ 58.1-802.1, 58.1-2402.1, and 58.1-3221.2, as determined by the Authority in consultation with
90 members of the governing bodies of the localities that are imposing the fees pursuant to subsection B of
91 § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, and 58.1-3221.2, and members of the General Assembly
92 representing any locality imposing the fees pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1,
93 58.1-2402.1, and 58.1-3221.2, or as may be required by any other law, solely for transportation projects
94 for the localities that are imposing the fees pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1,
95 58.1-2402.1, and 58.1-3221.2. All transportation projects undertaken by the Northern Virginia
96 Transportation Authority shall be completed by private contractors accompanied by performance
97 measurement standards, and all contracts shall contain a provision granting the locality the option to
98 terminate the contract if contractors do not meet such standards. Notwithstanding the foregoing, any
99 locality may provide engineering services or right-of-way acquisition for any project with its own forces.
100 The Authority shall avail itself of the strategies permitted under the Public-Private Transportation Act
101 (§ 56-556 et seq.) whenever feasible and advantageous. The Authority is independent of any state or
102 local entity, including the Virginia Department of Transportation (VDOT) and the Commonwealth
103 Transportation Board (CTB), but the Authority, VDOT and CTB shall consult with one another to avoid
104 duplication of efforts and, at the option of the Authority, may combine efforts to complete specific
105 projects. Notwithstanding the foregoing, at the request of the Authority, VDOT may provide the
106 Authority with engineering services or right-of-way acquisition for the project with its own forces. When
107 determining what projects to construct under this subsection, the Authority shall base its decisions on
108 the combination that (i) equitably distributes the funds throughout the participating localities and (ii)
109 constructs projects that move the most people or commercial traffic in the most cost-effective manner,
110 and on such other factors as approved by the Authority.

111 § 15.2-4839. Authority to issue bonds.

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

117 § 15.2-4840. Other duties and responsibilities of Authority.

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

120 1. General oversight of regional programs involving mass transit or congestion mitigation, including,

121 but not necessarily limited to, carpooling, vanpooling, and ridesharing;
122 2. Long-range regional planning, both financially constrained and unconstrained;
123 3. Recommending to state, regional, and federal agencies regional transportation priorities, including
124 public-private transportation projects, and funding allocations;
125 4. Developing, in coordination with affected counties and cities, regional priorities and policies to
126 improve air quality;
127 5. Allocating to priority regional transportation projects any funds made available to the Authority
128 and, at the discretion of the Authority, directly overseeing such projects;
129 6. Recommending to the Commonwealth Transportation Board priority regional transportation
130 projects for receipt of federal and state funds;
131 7. ~~Recommending to the Commonwealth Transportation Board use and/or changes in use of~~
132 *Imposing, collecting, and setting the amount of tolls for use of facilities in the area embraced by the*
133 *Authority, when the facility is either newly constructed or reconstructed in such a way as to increase*
134 *the facility's traffic capacity, with the amount of any tolls variable by time of day, day of the week,*
135 *vehicle size or type, number of axles, or other factors as the Authority may deem proper, and with all*
136 *tolls to be used exclusively in connection with the facility for whose use they are collected;*
137 8. General oversight of regional transportation issues of a multijurisdictional nature, including but not
138 limited to intelligent transportation systems, signalization, and preparation for and response to
139 emergencies;
140 9. Serving as an advocate for the transportation needs of Northern Virginia before the state and
141 federal governments;
142 10. Applying to and negotiating with the government of the United States, the Commonwealth of
143 Virginia, or any agency ~~or~~, instrumentality, *or political subdivision* thereof, for grants and any other
144 funds available to carry out the purposes of this chapter and receiving, holding, accepting, and
145 administering from any source gifts, bequests, grants, aid, or contributions of money, property, labor, or
146 other things of value to be held, used and applied to carry out the purposes of this chapter subject,
147 however, to any conditions upon which gifts, bequests, grants, aid, or contributions are made. Unless
148 otherwise restricted by the terms of the gift, bequest, or grant, the Authority may sell, exchange, or
149 otherwise dispose of such money, securities, or other property given or bequeathed to it in furtherance
150 of its purposes; and
151 11. Acting as a "responsible public entity" for the purpose of the acquisition, construction,
152 improvement, maintenance and/or operation of a "qualifying transportation facility" under the
153 Public-Private Transportation Act of 1995 (§ 56-556 et seq.).
154 § 33.1-223.2:12. Tolls may vary to encourage travel during off-peak hours.
155 A. In order to provide an incentive for motorists to travel at off-peak hours, *and in accordance with*
156 *federal requirements*, wherever a toll is imposed and collected by the Department or such other entity as
157 may be responsible for imposing or collecting such toll, the amount of such toll may vary according to
158 the time of day, day of the week, traffic volume, vehicle speed, vehicle type, or ~~any or all of these~~
159 *similar variables or combination thereof*. The amount of such toll and the time of day when such toll
160 shall change shall be as fixed and revised by the Commonwealth Transportation Board or such other
161 entity as may be responsible for fixing or revising the amount of such toll; provided, however, that any
162 such variation shall be reasonably calculated to minimize the reduction in toll revenue generated by such
163 toll.
164 B. *On or before July 1, 2008, every agency of the Commonwealth or any political subdivision or*
165 *instrumentality thereof having control of or day-to-day responsibility for the operation of any toll facility*
166 *within the territory embraced by the Northern Virginia Transportation Authority shall take all necessary*
167 *actions to ensure that every toll facility under its control is capable of fully automated electronic*
168 *operation, employing technologies and procedures that permit the collection of tolls from users of the*
169 *facility without requiring vehicles using the facility to reduce their speed below the speed of traffic on*
170 *the facility. The provisions of this section shall apply equally to existing facilities and to future*
171 *construction. The provisions of this section shall also apply to any nongovernmental or*
172 *quasigovernmental entity operating a toll facility under a comprehensive agreement entered into,*
173 *pursuant to the Public-Private Transportation Act of 1995 (§ 56-556 et seq.), on or after January 1,*
174 *2008.*
175 § 46.2-332. Fees.
176 A. On and after January 1, 1990, the fee for each driver's license other than a commercial driver's
177 license shall be two dollars and forty cents per year. If the license is a commercial driver's license or
178 seasonal restricted commercial driver's license, the fee shall be six dollars per year. Persons twenty-one
179 years old or older may be issued a scenic driver's license, learner's permit, or commercial driver's license
180 for an additional fee of five dollars. For any one or more driver's license endorsements, except a
181 motorcycle endorsement, there shall be an additional fee of one dollar per year; for a motorcycle

182 endorsement, there shall be an additional fee of two dollars per year. For any and all driver's license
183 classifications, there shall be an additional fee of one dollar per year. For any revalidation of a seasonal
184 restricted commercial driver's license, the fee shall be five dollars.

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

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

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

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

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

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

205 *B. Beginning July 1, 2008, in addition to all other fees authorized by this chapter, the governing*
206 *body of any county or city that is included in the regional transportation authority established pursuant*
207 *to § 15.2-4830 is authorized to impose an additional fee of \$100 for the initial issuance of a driver's*
208 *license to be collected by the Commissioner.*

209 *C. All revenues generated by the fee imposed pursuant to subsection B shall be deposited into the*
210 *Special Transportation Fund for Northern Virginia established pursuant to § 15.2-4838.1 and used for*
211 *the purposes as set forth in § 15.2-4838.2.*

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

220 § 58.1-802.1. Northern Virginia congestion relief fee.

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

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

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

235 *B. All revenues generated by the fee imposed pursuant to this section shall be deposited to the*
236 *Special Transportation Fund for Northern Virginia established pursuant to § 15.2-4838.1 to be used for*
237 *the purposes as set forth in § 15.2-4838.2.*

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

239 § 58.1-2402.1. Local rental car transportation fee.

240 *A. Beginning July 1, 2008, in addition to all other taxes, fees, and other charges imposed under law,*
241 *the governing body of a county or city that is included in the regional transportation authority*
242 *established pursuant to § 15.2-4830, may, by ordinance, impose a fee of 2% of the gross proceeds on*
243 *the rental in the locality of any daily rental vehicle regardless of whether such vehicle is required to be*

244 licensed in the Commonwealth. The fee shall not be levied upon a rental to a person for re-rental as an
 245 established business or part of an established business or incidental or germane to such business.

246 B. The governing body of any locality imposing the fee pursuant to this section shall appropriate the
 247 revenues collected to the Special Transportation Fund for Northern Virginia established pursuant to
 248 § 15.2-4838.1 to be used for the purposes as set forth in § 15.2-4838.2.

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

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

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

261 § 58.1-2403. Exemptions.

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

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

268 5. Transferred incidental to repossession under a recorded lien and ownership is transferred to the
 269 lienholder;

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

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

274 8. Transferred from an individual or partnership to a corporation or limited liability company or from
 275 a corporation or limited liability company to an individual or partnership if the transfer is incidental to
 276 the formation, organization or dissolution of a corporation or limited liability company in which the
 277 individual or partnership holds the majority interest;

278 9. Transferred from a wholly owned subsidiary to the parent corporation or from the parent
 279 corporation to a wholly owned subsidiary;

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

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

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

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

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

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

299 16. Sold to an insurance company or local government group self-insurance pool, created pursuant to
 300 § 15.2-2703, for the sole purpose of disposition when such company has paid the registered owner of
 301 such vehicle a total loss claim;

302 17. Owned and used for personal or official purposes by accredited consular or diplomatic officers of
 303 foreign governments, their employees or agents, and members of their families, if such persons are
 304 nationals of the state by which they are appointed and are not citizens of the United States;

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

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

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

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

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

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

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

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

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

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

343 § 58.1-3221.2. *Classification of commercial real property in certain localities; transportation impact*
344 *commercial real property tax.*

345 A. *Beginning July 1, 2008, solely for the purposes of imposing the tax authorized pursuant to this*
346 *section, in the counties and cities that are included in the regional transportation authority established*
347 *pursuant to § 15.2-4830, real estate used for commercial or industrial purposes is hereby declared to be*
348 *a separate class of property. Real estate used for commercial or industrial purposes does not include*
349 *real estate for which no permit for use has been issued for occupancy of any premises for commercial*
350 *use. For purposes of this section, real property that is zoned to permit multiunit residential use that is*
351 *primarily leased or rented to residential tenants of other occupants by an owner who is engaged in such*
352 *a business shall be deemed to be property in commercial use. In addition to all other taxes and fees*
353 *permitted by law, the governing body of any such locality may, by ordinance, declare the entire locality*
354 *a special regional transportation tax district and impose a transportation impact commercial real*
355 *property tax at the rate of 0.25% of the fair market value of such property.*

356 B. *The governing body of any locality imposing the additional tax imposed pursuant to this section*
357 *shall designate the revenue to the Special Transportation Fund for Northern Virginia established*
358 *pursuant to § 15.2-4838.1 to be used for the purposes as set forth in § 15.2-4838.2.*

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

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

367 *administration, enforcement, and collection of local taxes.*

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

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

376 **4. That each governing body of a county or city adopting by ordinance the fees authorized under**
377 **subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, and 58.1-3221.2, of the Code of Virginia**
378 **shall provide a copy of the ordinance to the Clerk of the House of Delegates and the Clerk of the**
379 **Senate as soon as practicable.**

380 **5. That each county or city that imposes the fees authorized pursuant to subsection B of**
381 **§ 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, and 58.1-3221.2, of the Code of Virginia pursuant to the**
382 **provisions of this act shall for each fiscal year in which it imposes such tax expend or disburse for**
383 **transportation purposes an amount (computed without regard to any revenues generated in the**
384 **fiscal year from such taxes) that is at least equal to the total amount expended or disbursed for**
385 **transportation purposes by the county or city in its fiscal year that began in calendar year 2006.**

386 **6. That no locality shall be authorized to impose any of the fees or taxes authorized by this act,**
387 **unless, as of January 1, 2008, it is part of a regional transportation authority in which at least**
388 **60% of the counties and cities embraced by the authority have at least 60% of their interstates**
389 **and primary highways operating at an average Level of Service of E or F during the peak period**
390 **as determined by the Virginia Department of Transportation.**

391 **7. That should any portion of this act be held unconstitutional by a court of competent**
392 **jurisdiction, the remaining portions of this act shall remain in effect.**

INTRODUCED

SB1414