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SENATE BILL NO. 1415

Offered January 19, 2007

A *BILL to amend and reenact § 58.1-2403 and to amend the Code of Virginia by adding in Title 33.1 a chapter numbered 10.2, consisting of sections numbered 33.1-391.6 through 33.1-391.17, and by adding sections numbered 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.1, 58.1-2402.1, and 58.1-3221.2, relating to supplemental transportation funding for Hampton Roads.*

Patron—Stolle

Referred to Committee on Transportation

Be it enacted by the General Assembly of Virginia:

1. That § 58.1-2403 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Title 33.1 a chapter numbered 10.2, consisting of sections numbered 33.1-391.6 through 33.1-391.17, and by adding sections numbered 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.1, 58.1-2402.1, and 58.1-3221.2 as follows:

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 (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 following localities, provided that the locality imposes all of the local transportation fees and taxes authorized by §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.1, 58.1-2402.1, and 58.1-3221.2: the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Suffolk, Virginia Beach, and Williamsburg; (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) three members of the Virginia House of Delegates who reside in a city or county that is imposing the local transportation fees and taxes authorized by §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.1, 58.1-2402.1, and 58.1-3221.2, no two of whom shall reside in the same city or county, appointed by the Speaker of the House of Delegates; and (vi) two members of the Senate of Virginia who reside in a city or county that is imposing the local transportation fees and taxes authorized by §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.1, 58.1-2402.1, and 58.1-3221.2, neither of whom shall reside in the same city or county, 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

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59 the local governing body by which he is appointed. In the event that a member of the Authority who is
60 appointed by a local governing body ceases to be a member of that local governing body, he may no
61 longer serve as a member of the Authority. Members of the Authority appointed by local governing
62 bodies shall serve for terms of four years and may be reappointed for one additional term of four years.
63 Any member of the Authority appointed by a local governing body who is initially appointed to serve a
64 term of less than three years may thereafter be appointed for two successive four-year terms. For the
65 purpose of initial appointments and in order to provide for staggered terms, those members appointed
66 by the City Council of the City of Hampton, the City Council of the City of Newport News, and the
67 Board of Supervisors of James City County shall be appointed for terms of two years; those members
68 who are appointed by the City Council of the City of Norfolk, the City Council of the City of
69 Chesapeake, and the City Council of the City of Portsmouth shall be appointed for terms of three years;
70 and the remaining representatives of local governing bodies shall be appointed for terms of four years.
71 Legislative members shall serve terms coincident with their terms of office. Vacancies shall be filled by
72 appointment for the unexpired term by the same process as used to make the original appointment.

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

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

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

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

82 § 33.1-391.10. Additional powers of the Authority.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

First Phase Projects:

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

Second Phase Projects:

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

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

§ 33.1-391.11. Authority a responsible public entity under Public-Private Transportation Act of 1995. The Authority is a responsible public entity as defined in the Public-Private Transportation Act of 1995 (§ 56-556 et seq.).

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

The bridges, tunnels, roadways, and related facilities known collectively as the Chesapeake Bay 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 §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.1, 58.1-2402.1, and 58.1-3221.2, 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 §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.1, 58.1-2402.1, and 58.1-3221.2. 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 bond with a maturity date that extends beyond the

182 maturity date of any bond that it refinances, the Chesapeake Bay Bridge and Tunnel Commission shall
183 provide written notice of the contemplated issuance to the Chairmen of the Senate Committee on
184 Finance and the House Committee on Appropriations at such time as when the General Assembly is in
185 regular session. This provision shall not apply to any bond issued to provide for the payment of any
186 temporary or interim financing.

187 On a prospective basis, prior to issuing any bonds for the purposes of financing the construction of
188 new or additional tunnels, the Chesapeake Bay Bridge and Tunnel Commission shall provide written
189 notice of the contemplated issuance to the Chairmen of the Senate Committee on Finance and the House
190 Committee on Appropriations at such time as when the General Assembly is in regular session.

191 § 33.1-391.14. Continuing responsibilities of the Commonwealth Transportation Board and the
192 Virginia Department of Transportation.

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

200 § 33.1-391.15. Hampton Roads Planning District Commission to provide administrative services and
201 office facilities.

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

209 § 33.1-391.16. Use of revenues by the Authority.

210 Notwithstanding any other provision of this chapter, all moneys received by the Authority shall be
211 used by the Authority solely for the benefit of those counties and cities imposing the local transportation
212 fees and taxes authorized by §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14,
213 58.1-802.1, 58.1-2402.1, and 58.1-3221.2, and such moneys shall be used by the Authority in a manner
214 that is consistent with the purposes stated in this chapter.

215 § 33.1-391.17. Local Transportation Fees.

216 A. In addition to any other taxes, fees, or other charges imposed under law, each of the governing
217 bodies of the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton,
218 Newport News, Norfolk, Portsmouth, Suffolk, Virginia Beach, and Williamsburg may by ordinance levy
219 the fees and taxes authorized by §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14,
220 58.1-802.1, 58.1-2402.1, and 58.1-3221.2, provided that (i) the governing body of the county or city
221 adopts all of the fees and taxes authorized by §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1,
222 58.1-609.14, 58.1-802.1, 58.1-2402.1, and 58.1-3221.2, and (ii) the governing body of the county or city
223 appropriates the revenue collected from the additional fees to the Hampton Roads Transportation
224 Authority established under § 33.1-391.7.

225 At such time as the Chesapeake Bay Bridge-Tunnel becomes subject to the control of the Hampton
226 Roads Transportation Authority as provided in § 33.1-391.12, each of the governing bodies of the
227 Counties of Accomack and Northampton may also by ordinance levy the local transportation fees and
228 taxes authorized by §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.1,
229 58.1-2402.1, and 58.1-3221.2, provided that the governing body of the county appropriates the revenue
230 generated by such fees to the Hampton Roads Transportation Authority.

231 The Authority shall use all funds collected hereunder solely for the purposes provided in
232 § 33.1-391.16.

233 B. No locality imposing the local transportation fees and taxes authorized by §§ 46.2-332.1,
234 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.1, 58.1-2402.1, and 58.1-3221.2 shall cease
235 to impose such fees so long as the Hampton Roads Transportation Authority (i) is currently engaged in
236 a transportation project within the boundaries of the locality or that benefits the locality, (ii) has
237 entered into a binding commitment to begin a transportation project within the boundaries of the
238 locality, or that benefits the locality, or (iii) has issued bonds or incurred other evidence of debt that
239 has not been satisfied or paid in full and that relates to a transportation project undertaken by the
240 Authority within the boundaries of the locality, or that benefits the locality.

241 § 46.2-332.1. Additional driver's license fee authorized in certain localities.

242 A. Beginning January 1, 2008, in addition to all other fees authorized by this chapter, each of the
243 governing bodies of the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake,

Hampton, Newport News, Norfolk, Portsmouth, Suffolk, Virginia Beach, and Williamsburg is authorized to impose an additional fee of \$20 for the issuance, whether initial or renewal, of a driver's license to be collected by the Commissioner; provided the governing body appropriates the revenue from such fee to the Hampton Roads Transportation Authority to be used for the purposes set forth in § 33.1-391.16.

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

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

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

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

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

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

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

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

Any and all fees collected by the Department of Motor Vehicles under this section shall be designated by the Department as the "Hampton Roads Transportation Initial Registration Fee" 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 where each vehicle is registered.

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

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

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

§ 58.1-609.14. Tax applicable to motor vehicle repairs in certain localities.

Beginning January 1, 2008, subject to the limitations contained in § 33.1-391.17, the governing bodies of the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Suffolk, Virginia Beach, and Williamsburg may, by ordinance, impose the tax pursuant to §§ 58.1-605 and 58.1-606 on the charges for the repair of motor vehicles that otherwise would be exempt from such taxation provided that the governing body of the locality appropriates the revenues collected from such fee to the Hampton Roads Transportation Authority

305 established under § 33.1-391.7.

306 § 58.1-802.1. Additional tax authorized in certain localities.

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

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

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

321 B. The governing body of the locality imposing the fee under this section shall appropriate the
322 revenues collected from such fee to the Hampton Roads Transportation Authority established under
323 § 33.1-391.7.

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

325 § 58.1-2402.1. Local rental car transportation impact fee.

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

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

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

343 § 58.1-2403. Exemptions.

344 No tax shall be imposed as provided in § 58.1-2402 or 58.12-2402.1 if the vehicle is:

345 1. Sold to, rented or used by the United States government or any governmental agency thereof;
346 2. Sold to, rented or used by the Commonwealth of Virginia or any political subdivision thereof;
347 3. Registered in the name of a volunteer fire department or rescue squad not operated for profit;
348 4. Registered to any member of the Mattaponi, Pamunkey, or Chickahominy Indian tribes or any
349 other recognized Indian tribe of the Commonwealth living on the tribal reservation;
350 5. Transferred incidental to repossession under a recorded lien and ownership is transferred to the
351 lienholder;

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

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

356 8. Transferred from an individual or partnership to a corporation or limited liability company or from
357 a corporation or limited liability company to an individual or partnership if the transfer is incidental to
358 the formation, organization or dissolution of a corporation or limited liability company in which the
359 individual or partnership holds the majority interest;

360 9. Transferred from a wholly owned subsidiary to the parent corporation or from the parent
361 corporation to a wholly owned subsidiary;

362 10. Being registered for the first time in this Commonwealth and the applicant holds a valid,
363 assignable title or registration issued to him by another state or a branch of the United States Armed
364 Forces and (i) has owned the vehicle for longer than 12 months or (ii) has owned the vehicle for less
365 than 12 months and provides evidence of a sales tax paid to another state. However, when a vehicle has
366 been purchased by the applicant within the last 12 months and the applicant is unable to provide

evidence of a sales tax paid to another state, the applicant shall pay the Virginia sales tax based on the fair market value of the vehicle at the time of registration in Virginia;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Solely for the purposes of imposing the tax authorized pursuant to this section, in the Counties of

428 *Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk,*
429 *Portsmouth, Suffolk, Virginia Beach, and Williamsburg, commercial real estate is hereby declared to be*
430 *a separate class of property solely for the purpose of funding regional transportation improvements*
431 *pursuant to § 15.2-4838.1. As used in this section "commercial real estate" means any real estate other*
432 *than (i) real estate containing one to four residential units, (ii) real estate on which no buildings are*
433 *located, or (iii) real estate classified for assessment purposes under the provisions of Article 4*
434 *(§ 58.1-3230 et seq.) of Chapter 32 of Title 58.1. Commercial real estate shall not include single family*
435 *residential units, including condominiums, townhouses, apartments or homes in a subdivision when*
436 *leased on a unit by unit basis even though these units may be part of a larger building or parcel of real*
437 *estate containing more than four residential units.*

438 *In addition to all other taxes and fees permitted by law, the governing body of any such locality*
439 *may, by ordinance, declare the entire locality a special regional transportation tax district and impose a*
440 *transportation impact commercial real property tax at the rate of 0.3% of the fair market value of such*
441 *property; provided that the governing body of the locality appropriates the revenues collected from such*
442 *to the Hampton Roads Transportation Authority established under § 33.1-391.7.*

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

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

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

457 **4. That each county or city that imposes the fees and taxes authorized by §§ 46.2-332.1, 46.2-755.1,**
458 **46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.1, 58.1-2402.1, and 58.1-3221.2 of the Code of**
459 **Virginia pursuant to the provisions of this act shall for each fiscal year in which it imposes such**
460 **tax expend or disburse for transportation purposes an amount (computed without regard to any**
461 **revenues generated in the fiscal year from such taxes) that is at least equal to the total amount**
462 **expended or disbursed for transportation purposes by the county or city in its fiscal year that**
463 **began in calendar year 2005.**

464 **5. That the local transportation fees and taxes authorized under this act by §§ 46.2-332.1,**
465 **46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.1, 58.1-2402.1, and 58.1-3221.2 of the Code**
466 **of Virginia shall be levied and imposed by the applicable local governing body adopting an**
467 **ordinance, on or before September 1, 2007, to be effective January 1, 2008, that also indicates the**
468 **local governing body is joining the Hampton Roads Transportation Authority and designates the**
469 **member of the local governing body that shall serve on the Authority.**

470 **6. That the provisions of this act are effective January 1, 2008, and only if the requirements of the**
471 **fifth enactment of this act are met by the governing bodies of at least six localities.**