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SENATE BILL NO. 1417

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the Senate Committee on Transportation
on January 31, 2007)(Patrons Prior to Substitute—Senators Norment, Devoites Davis [SB 843], Devoites Davis and O'Brien
[SB 1414], Stolle [SB 1415] and Williams [SBs 752 and 753])

A *BILL to amend and reenact §§ 2.2-1514, 10.1-1188, 15.2-2403, 15.2-4831, 15.2-4839, 15.2-4840, 33.1-1, 33.1-2, 33.1-3, 33.1-13, 33.1-19.1, 33.1-23.03, 33.1-23.03:8, 33.1-67, 33.1-72.1, 33.1-223.2:12, 33.1-268, 33.1-269, 33.1-277, 46.2-332, 46.2-694, 46.2-694.1, 46.2-697, 46.2-1135, 58.1-540, 58.1-605, 58.1-606, 58.1-609.5, 58.1-638, 58.1-2217, 58.1-2249, 58.1-2289, 58.1-2403, 58.1-2425, 58.1-2701, and 58.1-2706 of the Code of Virginia; to amend the Code of Virginia by adding a section numbered 15.2-2223.1, by adding in Chapter 22 of Title 15.2 an article numbered 9 consisting of sections numbered 15.2-2328 and 15.2-2329, by adding in Article 1 of Chapter 24 of Title 15.2 a section numbered 15.2-2403.1, by adding a section numbered 15.2-4838.1, by adding in Title 15.2 a chapter numbered 48.3, consisting of sections numbered 15.2-4841 and 15.2-4842, by adding in Title 30 a chapter numbered 42, consisting of sections numbered 30-278 through 30-283, by adding sections numbered § 33.1-23.03:10 and 33.1-23.4:01, by adding in Title 33.1 a chapter numbered 10.2, consisting of sections numbered 33.1-391.6 through 33.1-391.18, by adding sections numbered 46.2-206.1, 46.2-332.1, 46.2-702.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-605.1, 58.1-606.1, 58.1-639.1, 58.1-802.1, 58.1-802.2, 58.1-2402.1, 58.1-2402.2, and 58.1-3825.1, by adding in Article 2 of Chapter 25 of Title 58.1 sections numbered 58.1-2531 and 58.1-2532, and by adding sections numbered 58.1-3221.2 and 58.1-3221.3; and to repeal the tenth enactment clauses of Chapter 1019 and Chapter 1044 of the Acts of Assembly of 2000, and to authorize the Commonwealth Transportation Board to issue certain bonds, relating to transportation.*

Be it enacted by the General Assembly of Virginia:

1. That §§ 2.2-1514, 10.1-1188, 15.2-2403, 15.2-4831, 15.2-4839, 15.2-4840, 33.1-1, 33.1-2, 33.1-3, 33.1-13, 33.1-19.1, 33.1-23.03, 33.1-23.03:8, 33.1-67, 33.1-72.1, 33.1-223.2:12, 33.1-268, 33.1-269, 33.1-277, 46.2-332, 46.2-694, 46.2-694.1, 46.2-697, 46.2-1135, 58.1-540, 58.1-609.5, 58.1-638, 58.1-2217, 58.1-2249, 58.1-2289, 58.1-2403, 58.1-2425, 58.1-2701, and 58.1-2706 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered 15.2-2223.1, by adding in Chapter 22 of Title 15.2 an article numbered 9 consisting of sections numbered 15.2-2328 and 15.2-2329, by adding in Article 1 of Chapter 24 of Title 15.2 a section numbered 15.2-2403.1, by adding a section numbered 15.2-4838.1, by adding in Title 15.2 a chapter numbered 48.3, consisting of sections numbered 15.2-4841 and 15.2-4842, by adding in Title 30 a chapter numbered 42, consisting of sections numbered 30-278 through 30-283, by adding sections numbered § 33.1-23.03:10 and 33.1-23.4:01, by adding in Title 33.1 a chapter numbered 10.2, consisting of sections numbered 33.1-391.6 through 33.1-391.18, by adding sections numbered 46.2-206.1, 46.2-332.1, 46.2-702.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-605.1, 58.1-606.1, 58.1-639.1, 58.1-802.1, 58.1-802.2, 58.1-2402.1, 58.1-2402.2, and 58.1-3825.1, by adding in Article 2 of Chapter 25 of Title 58.1 sections numbered 58.1-2531 and 58.1-2532, and by adding sections numbered 58.1-3221.2 and 58.1-3221.3, as follows:

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

A. As used in this section:

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

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

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

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

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

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

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

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

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

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

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

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

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

A. Every county that has adopted zoning pursuant to Article 7 (§ 15.2-2280 et seq.) of Chapter 22 of Title 15.2, if such locality has a population greater than 50,000 or has had population growth of twenty percent or more from the next-to-latest to latest decennial census year, based on population reported by the United States Bureau of the Census shall, and any other county, or any city or town may, amend its comprehensive plan to incorporate one or more proposed urban development areas. For purposes of this section, an urban development area is an area designated by a locality that is appropriate for higher density development due to proximity to transportation facilities, the availability of a public or community water and sewer system, or proximity to a city, town, or other developed area. The comprehensive plan shall provide for commercial and residential densities within urban development areas that are appropriate for reasonably compact development at a density of at least four residential units per gross acre or a density at least three times greater than the area outside the urban development area and a minimum floor area ratio of 0.4 per gross acre for commercial development. The comprehensive plan shall designate one or more urban development areas sufficient to meet projected residential and commercial growth in the locality for the ensuing 20-year period which may include phasing of development within the urban development areas. Future growth shall be based on the projections of the Virginia Employment Commission. The boundaries and size of each urban 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, and (vi) mixed-use neighborhoods, including mixed housing types.

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

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

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

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

Article 9.

Impact Fees.

§ 15.2-2328. Applicability of article.

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

§ 15.2-2329. Imposition of impact fees.

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

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

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

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

E. For the purposes of this section, "public facilities" shall be deemed to include: roads and streets.

§ 15.2-2403. Powers of service districts.

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

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

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

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

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

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

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

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

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

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

238 9. To create and terminate a development board or other body to which shall be granted and
239 assigned such powers and responsibilities with respect to a special service district as are delegated to it
240 by ordinance adopted by the governing body of such locality or localities. Any such board or alternative
241 body created shall be responsible for control and management of funds appropriated for its use by the
242 governing body or bodies, and such funds may be used to employ or contract with, on such terms and
243 conditions as the board or other body shall determine, persons, municipal or other governmental entities
244 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 Virginia Department of Transportation would be spending within the service district if not for the creation of such district. Such money may be spent by the locality on any transportation need, including new construction.

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

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

The Authority shall embrace the Counties of Arlington, Fairfax, Loudoun, and Prince William, and the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park; provided, however, that any time any such county or city is not imposing all of the taxes and fees authorized pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, 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 allocation of such revenue.

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

All moneys received by the Authority and the proceeds of bonds issued pursuant to § 15.2-4839 shall be used by the Authority solely for the benefit of those counties and cities that are imposing the fees pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, 58.1-3221.2, and 58.1-3825.1.

Notwithstanding any other provision of this chapter, the revenues received by the Authority pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, 58.1-3221.2, and 58.1-3825.1 –and the proceeds of bonds issued pursuant to § 15.2-4839 shall be used first to pay any debt service owing on any bonds issued pursuant to § 15.2-4839, and then as follows:

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

306 *The Authority shall make such annual distribution from such revenues only if the County of Arlington*
307 *and the City of Alexandria are imposing the fees pursuant to subsection B of § 46.2-332, and*
308 *§§ 58.1-802.1, 58.1-2402.1, and 58.1-3221.2, and 58.1-3825.1. The Authority shall first make use of*
309 *that portion of such annual distribution as may be necessary under the requirements of federal law for*
310 *the payment of federal funds to WMATA, but only if the matching federal funds are exclusive of and in*
311 *addition to the amount of other federal funds appropriated to the Commonwealth for transportation and*
312 *such other federal funds are in an amount not less than the amount of such funds appropriated to the*
313 *Commonwealth in the fiscal year ending June 30, 2007*

314 *For each year after 2018 the amount distributed pursuant to this subsection shall be used for the*
315 *expansion of Metro or other rail service into Prince William County, but only if Prince William County*
316 *is imposing the fees pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1,*
317 *58.1-3221.2, and 58.1-3825.1;*

318 *B. The next \$30 million each fiscal year shall be distributed to the Virginia Railway Express for*
319 *capital improvements, including but not limited to track lease payments, construction of parking,*
320 *dedicated rail on the Fredericksburg line, rolling stock, expanded service in Prince William County, and*
321 *service as may be needed as a result of the Base Realignment and Closure Commission regarding Fort*
322 *Belvoir. The Authority shall make such annual distribution from such revenues only if Prince William*
323 *County is imposing the fees pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1,*
324 *58.1-3221.2, and 58.1-3825.1;*

325 *C. Up to the next \$ 66 million deposited into the Fund shall be dedicated to the Dulles Rail Phase*
326 *One and Phase Two project for the localities' share, provided that (i) Fairfax County is imposing the*
327 *fees pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, 58.1-3221.2, and*
328 *58.1-3825.1; and (ii) the existing proposed charges to be paid by Dulles Phase One properties that do*
329 *not exceed \$66 million are not required. Up to the next \$ 19 million shall be dedicated to the Dulles*
330 *Rail Phase One and Phase Two project for the localities' share, provided that (a) Fairfax County and*
331 *Loudoun County are imposing the fees pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1,*
332 *58.1-2402.1, 58.1-3221.2, and 58.1-3825.1; and (b) the existing proposed charges to be paid by Dulles*
333 *Phase properties that do not exceed \$19 million are not required.*

334 *D. The next \$10.5 million shall be distributed to the Route 28 Highway Transportation Improvement*
335 *District Commission to be used solely by the Commission to reduce for the next tax year the special*
336 *improvement tax rate previously established as provided in § 15.2-4607 by an amount, when rounded*
337 *down to the nearest one tenth of one percent per \$100 of value, if levied and collected in the*
338 *improvement district within its jurisdiction, such that the tax rate reduction would offset the distribution*
339 *received from the Fund.*

340 *E. At least 45 percent of the revenues from such sources remaining after the distributions under*
341 *subsections A, B, C, and D shall be distributed to the localities imposing the fees pursuant to subsection*
342 *B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, 58.1-3221.2, and 58.1-3825.1 on a pro rata basis, with*
343 *each locality's share being the total of such fees and taxes received by the Authority that are generated*
344 *or attributable to the locality divided by the total of such fees and taxes received by the Authority. Of*
345 *the revenues distributed pursuant to this subsection to any county, except for a county which maintains*
346 *its own roads as of July 1, 2007, the first 50 percent shall be used solely for urban and secondary road*
347 *construction and improvements or for public transportation purposes in consultation with members of*
348 *the General Assembly representing any locality which receives such revenue, (ii) and in the remaining*
349 *localities, the first 50 percent shall be used solely for urban and secondary road construction and*
350 *improvements in consultation with members of the General Assembly representing any locality which*
351 *receives such revenue. All other funds, as determined solely by the applicable locality, shall be used*
352 *either for additional urban and secondary road construction; for other transportation capital*
353 *improvements which have been approved by the most recent long range transportation plan adopted by*
354 *the Authority; or for public transit purposes. None of the revenue distributed by this subsection may be*
355 *used to repay debt issued before January 1, 2008. Each locality shall provide annually to the Northern*
356 *Virginia Transportation Authority sufficient documentation as required by the Authority showing that the*
357 *funds distributed under this subsection were used as required by this subsection. The funds under this*
358 *subsection shall be conditioned on the following:*

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

361 *2. That for any county imposing the fees pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1,*
362 *58.1-2402.1, 58.1-3221.2, and 58.1-3825.1, all state secondary road construction funding due such*
363 *county shall be transferred to such county, and the county shall assume full responsibility for planning*
364 *and constructing secondary roads pursuant to § 33.1-75.3. Such county may contract with the Virginia*
365 *Department of Transportation, or any other entity to aid in the planning and construction; and*

366 *F. Any remaining revenues from such sources shall be used by the Authority solely for transportation*
367 *projects for the localities that are imposing the fees pursuant to subsection B of § 46.2-332, and*

§§ 58.1-802.1, 58.1-2402.1, 58.1-3221.2, and 58.1-3825.1, as determined by the Authority in consultation with members of the governing bodies of the localities that are imposing the fees 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 members of the General Assembly representing any locality imposing the fees 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, or as may be required by any other law, solely for transportation projects for the localities that are imposing the fees pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, 58.1-3221.2, and 58.1-3825.1. All transportation projects undertaken by the Northern Virginia Transportation Authority shall be completed by private contractors accompanied by performance measurement standards, and all contracts shall contain a provision granting the locality the option to terminate the contract if contractors do not meet such standards. Notwithstanding the foregoing, any locality may provide engineering services or right-of-way acquisition for any project with its own forces. The Authority shall avail itself of the strategies permitted under the Public-Private Transportation Act (§ 56-556 et seq.) whenever feasible and advantageous. The Authority is independent of any state or local entity, including the Virginia Department of Transportation and the Commonwealth Transportation Board, but the Authority, Virginia Department of Transportation and the Commonwealth Transportation Board 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, Virginia Department of Transportation may provide the Authority with engineering services or right-of-way acquisition for the project with its own forces. When determining what projects to construct under this subsection, the Authority shall base its decisions on the combination that (i) equitably distributes the funds throughout the participating localities and (ii) constructs projects that move the most people or commercial traffic in the most cost-effective manner, and on such other factors as approved by the Authority.

§ 15.2-4839. Authority to issue bonds.

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

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

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

1. General oversight of regional programs involving mass transit or congestion mitigation, including, but not necessarily limited to, carpooling, vanpooling, and ridesharing;
2. Long-range regional planning, both financially constrained and unconstrained;
3. Recommending to state, regional, and federal agencies regional transportation priorities, including public-private transportation projects, and funding allocations;
4. Developing, in coordination with affected counties and cities, regional priorities and policies to improve air quality;
5. Allocating to priority regional transportation projects any funds made available to the Authority and, at the discretion of the Authority, directly overseeing such projects;
6. Recommending to the Commonwealth Transportation Board priority regional transportation projects for receipt of federal and state funds;
7. Recommending to the Commonwealth Transportation Board use and/or changes in use of Imposing, collecting, and setting the amount of tolls for use of facilities in the area embraced by the Authority, when the facility is either newly constructed or reconstructed in such a way as to increase the facility's traffic capacity, with the amount of any tolls variable by time of day, day of the week, vehicle size or type, number of axles, or other factors as the Authority may deem proper, and with all tolls to be used exclusively in connection with the facility for whose use they are collected;
8. General oversight of regional transportation issues of a multijurisdictional nature, including but not limited to intelligent transportation systems, signalization, and preparation for and response to emergencies;
9. Serving as an advocate for the transportation needs of Northern Virginia before the state and federal governments;
10. Applying to and negotiating with the government of the United States, the Commonwealth of Virginia, or any agency or instrumentality, or political subdivision thereof, for grants and any other funds available to carry out the purposes of this chapter and receiving, holding, accepting, and administering from any source gifts, bequests, grants, aid, or contributions of money, property, labor, or other things of value to be held, used and applied to carry out the purposes of this chapter subject, however, to any conditions upon which gifts, bequests, grants, aid, or contributions are made. Unless otherwise restricted by the terms of the gift, bequest, or grant, the Authority may sell, exchange, or

otherwise dispose of such money, securities, or other property given or bequeathed to it in furtherance of its purposes; and

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

CHAPTER 48.3.

INTERSTATE 81 REGIONAL TRANSPORTATION AUTHORITIES.

§ 15.2-4841. *Creation of regional transportation authorities in the Interstate 81 corridor; authority membership.*

A. If the governing bodies of each of two or more (i) contiguous counties or cities located along the Interstate 81 corridor or (ii) counties or cities that are included in the same construction district set forth under § 33.1-2 and are located along the Interstate 81 corridor declare by resolution that there is a need for a regional transportation authority to be created for all of such counties and cities to exercise in such counties and cities such powers and other functions prescribed for a regional transportation authority, then a body corporate and politic shall be created to perform such powers and functions prescribed under this chapter. The authority shall be known by the name adopted for the authority by its governing body. A copy of the resolutions of the governing bodies of such counties and cities, duly certified by the clerk of the county or city, shall be admissible in evidence in any suit, action, or proceeding.

B. The following persons shall be members of the governing bodies of each regional transportation authority:

1. The chief elected officer of the governing body of each county and city included in the authority or, in the discretion of the chief elected officer, his designee, who shall be a current elected officer of such governing body;

2. At least one but no more than two members of the House of Delegates whose legislative district includes, in whole or in part, a county or city included in the authority, appointed by the Speaker of the House, to the extent practicable, from the membership of the House Committee on Appropriations, the House Committee on Finance, or the House Committee on Transportation;

3. One member of the Senate whose legislative district includes, in whole or in part, a county or city included in the authority, appointed by the Senate Committee on Rules, to the extent practicable, from the membership of the Senate Committee on Finance or the Senate Committee on Transportation; and

4. Two citizens who reside in counties and cities included in the authority, appointed by the Governor. Gubernatorial appointments shall be persons who have significant experience in transportation planning, finance, engineering, construction, or management and shall be residents of a county or city included in the authority but shall not be a resident of the same county or city as the other gubernatorial appointee to the authority.

Legislative members shall serve terms coincident with their terms of office. Gubernatorial appointees shall serve for a term of four years. Vacancies occurring other than by expiration of a term shall be filled for the unexpired term. Vacancies shall be filled in the same manner as the original appointments.

In addition, the Director of the Virginia Department of Rail and Public Transportation, or his designee, and the Commonwealth Transportation Commissioner, or his designee, shall serve as nonvoting members of the authority.

Each regional transportation authority shall appoint a chairman and vice-chairman.

C. In addition to such other powers vested in each regional transportation authority by this chapter, each such authority shall have the following powers and functions:

1. The authority shall prepare a regional transportation plan for the counties and cities included in the authority, to include but not be limited to transportation improvements of regional significance and those improvements necessary or incidental thereto and shall from time to time revise and amend the plan. The provisions of Article 7 (§ 15.2-4527 et seq.) of Chapter 45 shall apply, mutatis mutandis, to preparation of such transportation plan.

2. The authority may, when a transportation plan is adopted according to subdivision 1, construct or acquire by purchase, lease, contract, or otherwise the transportation facilities specified in the transportation plan.

3. The authority may enter into agreements or leases with public or private entities for the operation of its facilities or may operate such facilities itself.

4. The authority may enter into contracts or agreements with the counties and cities included in the authority, with other transportation commissions of transportation districts adjoining any county or city included in the authority, with any other transportation authority, or with any state, local, private, or federal entity to provide or cause to be provided transportation facilities and services to the area included in the authority. Such contracts or agreements, together with any agreements or leases for the operation of such facilities, may be used by the authority to finance the construction and operation of transportation facilities, and such contracts, agreements, or leases shall inure to the benefit of any

creditor of the authority.

Notwithstanding the above, however, the authority shall not have the power to regulate services provided by taxicabs, either within municipalities or across municipal boundaries, which regulation is expressly reserved to the municipalities within which taxicabs operate.

5. Notwithstanding any other provision of law to the contrary, the authority may:

a. Acquire land or any interest therein by purchase, lease, or gift and provide transportation facilities thereon for use in connection with any transportation service;

b. Acquire land or any interest therein by purchase, lease, or gift in advance of the need for sale or contribution to an agency, for use by that agency in connection with an adopted transportation plan; and

c. Prepare a plan for mass transportation services with persons, cities, counties, agencies, authorities, or transportation commissions and may further contract with any such person or other entity to provide necessary facilities, equipment, operations and maintenance, access, and insurance pursuant to the plan.

6. Notwithstanding any contrary provision of this chapter, and in accordance with all applicable federal statutes and requirements, the authority may impose and collect tolls in amounts established by the authority for the use of any or all of the transportation facilities within the confines of the authority, subject to the approval of the Commonwealth Transportation Board.

7. The authority shall not undertake any action that is contrary to federal or state law.

D. A majority of the authority, which majority shall include at least a majority of the representatives of the counties and cities included in the authority, shall constitute a quorum. Decisions of the authority shall require a quorum and shall be in accordance with voting procedures established by the authority.

E. The authority shall be responsible for long-range transportation planning for regional transportation projects for the counties and cities included in the authority. In carrying out this responsibility, the authority shall, on the basis of a regional consensus, whenever possible set regional transportation policies and priorities for regional transportation projects. The policies and priorities shall be guided by performance-based criteria such as the ability to improve travel times, reduce delays, connect regional activity centers, improve safety, improve air quality, and move the most people in the most cost-effective manner.

The authority shall report annually on (i) the allocation and expenditure of all moneys received by it; (ii) use of these moneys to reduce traffic congestion in the counties and cities included in the authority; and (iii) use of these moneys to improve air quality in such counties and cities.

§ 15.2-4842. Other duties and responsibilities of regional transportation authorities.

In addition to other powers herein granted, each regional transportation authority shall have the following duties and responsibilities:

1. General oversight of regional programs involving mass transit or congestion mitigation, including but not 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 for improving 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 or changes in use of tolls for facilities in the area embraced by the authority;

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 the counties and cities included in the authority;

10. Applying to and negotiating with the government of the United States, the Commonwealth of Virginia, or any agency or instrumentality of either 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 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;

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

CHAPTER 42.

JOINT COMMISSION ON TRANSPORTATION ACCOUNTABILITY.

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

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

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

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

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

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

§ 30-280. Powers and duties of Commission.

The Commission shall have the following powers and duties:

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

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

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

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

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

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

§ 30-282. Payment of expenses of Commission.

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

§ 30-283. Access to information.

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

§ 33.1-1. State Highway and Transportation Board continued as Commonwealth Transportation

Board; number and terms of members; removal from office; vacancies.

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

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

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

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

§ 33.1-2. Residence requirements; statewide interest.

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

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

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

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

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

675 large.

676 The Commonwealth Transportation Commissioner, hereinafter in this title sometimes called "the
677 Commissioner," shall devote his entire time and attention to his duties as chief executive officer of the
678 Department and shall receive such compensation as shall be fixed by the Governor, subject to the
679 approval of the determined by the Commonwealth Transportation Board, unless such salary be fixed by
680 the General Assembly in the appropriation act. He shall also be reimbursed for his actual travel expenses
681 while engaged in the discharge of his duties.

682 In the event of a vacancy due to the death, temporary disability, retirement, resignation or removal of
683 the Commissioner, the Governor may appoint and thereafter remove at his pleasure an "Acting
684 Commonwealth Transportation Commissioner" until such time as the vacancy may be filled as provided
685 in § 33.1-4 by the Commonwealth Transportation Board. Such "Acting Commonwealth Transportation
686 Commissioner" shall have all powers and perform all duties of the Commissioner as provided by law,
687 and shall receive such compensation as may be fixed by the Governor. In the event of the temporary
688 disability, for any reason, of the Commissioner, full effect shall be given to the provisions of § 2.2-605.

689 § 33.1-13. General powers of Commissioner.

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

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

701 § 33.1-19.1. Environmental permits for highway projects; timely review.

702 Notwithstanding any other provision of state law or regulation, any state agency, board, or
703 commission that issues a permit required for a highway construction project pursuant to Title 10.1, 28.2,
704 29.1, or 62.1 of the Code of Virginia shall, within 15 days of receipt of an individual or general permit
705 application, review the application for completeness and either accept the application or request
706 additional specific information from the Department of Transportation. Unless a shorter period is
707 provided by law, regulation, or agreement, the state agency, board, or commission shall within 120 30
708 days of receipt of a complete application issue the permit, issue the permit with conditions, deny the
709 permit, or decide whether a public meeting or hearing is required by law. If a public meeting or hearing
710 is held, it shall be held within 45 30 days of the decision to conduct such a proceeding and a final
711 decision as to the permit shall be made within 90 30 days of completion of the public meeting or
712 hearing.

713 § 33.1-23.03. Board to develop and update Statewide Transportation Plan.

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

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

732 § 33.1-23.03:8. Priority Transportation Fund established.

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

paid into the state treasury and credited to the Fund. Such funds shall include:

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

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

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

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

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

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

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

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

§ 33.1-67. Secondary system of highways.

A. The secondary system of state highways shall consist of all of the public roads, causeways, bridges, landings and wharves in the several counties of the Commonwealth not included in the State Highway System, including such roads and community roads leading to and from public school buildings, streets, causeways, bridges, landings and wharves in incorporated towns having 3,500 inhabitants or less according to the census of 1920, and in all towns having such a population incorporated since 1920, as constitute connecting links between roads in the secondary system in the several counties and between roads in the secondary system and roads in the primary system of the state

highways, not, however, to exceed two miles in any one town. If in any such town, which is partly surrounded by water, less than two miles of the roads and streets therein constitute parts of the secondary system of state highways, the Commonwealth Transportation Board shall, upon the adoption of a resolution by the council or other governing body of such town designating for inclusion in the secondary system of state highways certain roads and streets in such town not to exceed a distance of two miles, less the length of such roads and streets in such town which constitute parts of the secondary system of state highways, accept and place in the secondary system of state highways such additional roads and streets.

B. Notwithstanding the foregoing provisions of this section, any local ordinance, or any provision of Title 15.2, on and after 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.

§ 33.1-69. Control, supervision and management.

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

§ 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 county 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

921 design.

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

928 *J. Notwithstanding the foregoing provisions of this section, any local ordinance, or any provision of*
929 *Title 15.2, on and after January 1, 2008, no street or road or any portion thereof in any county shall be*
930 *taken into the state secondary highway system for maintenance purposes unless it meets the secondary*
931 *street acceptance requirements pursuant to § 33.1-70.3.*

932 § 33.1-223.2:12. Tolls may vary to encourage travel during off-peak hours.

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

942 *B. 1. Beginning July 1, 2008, every agency of the Commonwealth or any political subdivision or*
943 *instrumentality thereof having control of or day-to-day responsibility for the operation of any toll facility*
944 *in the Commonwealth shall take all necessary actions to ensure that every newly constructed toll facility*
945 *or toll lane under its control is capable of fully automated electronic operation, employing technologies*
946 *and procedures that permit the collection of tolls from users of the facility without requiring vehicles*
947 *using the facility to reduce their speed below the speed of traffic approaching the facility. An entity*
948 *operating a toll facility that substantially upgrades its equipment or substantially renovates its facility*
949 *after July 1, 2008, shall comply with the provisions of this subsection. The provisions of this section*
950 *shall also apply to any nongovernmental or quasigovernmental entity operating a toll facility under a*
951 *comprehensive agreement entered into, pursuant to the Public-Private Transportation Act of 1995*
952 *(§ 56-556 et seq.), on or after January 1, 2008. Nothing in this subsection shall be construed to prohibit*
953 *a toll facility from retaining means of nonautomated toll collection in some lanes of the facility.*

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

957 § 33.1-268. Definitions.

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

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

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

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

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

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

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

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

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

974 (i) [Reserved.]

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

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

981 (l) The Henrico-James River Bridge, extending from a point on the eastern shore of the James River
982 in Henrico County to a point on the western shore, between Falling Creek and Bells Road interchanges

of the Richmond-Petersburg Turnpike; however, the project shall be deemed to include all property, rights, easements and franchises relating to any of the foregoing projects and deemed necessary or convenient for the operation thereof and to include approaches thereto.

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

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

(o), (p) [Repealed.]

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

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

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

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

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

(v) *Any project authorized by the General Assembly financed in whole or in part through the issuance of the Commonwealth Transportation Capital Projects Notes.*

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

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

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

1044 (8) [Repealed.]

1045 (9) The words "revenue" and "revenues" include tolls and any other moneys received or pledged by
1046 the Board pursuant to this article, including, without limitation, legally available Transportation Trust
1047 Fund revenues and any federal highway reimbursements and any other federal highway assistance
1048 received from time to time by the Commonwealth.

1049 (10) The terms "toll project" and "toll projects" mean projects financed in whole or in part through
1050 the issuance of revenue bonds which are secured by toll revenues generated by such project or projects.

1051 § 33.1-269. General powers of Board.

1052 The Commonwealth Transportation Board may, subject to the provisions of this article:

1053 1. Acquire by purchase or by condemnation, construct, improve, operate and maintain any one or
1054 more of the projects mentioned and included in the undertaking defined in this article;

1055 2. Issue revenue bonds of the Commonwealth, to be known and designated as "Commonwealth of
1056 Virginia Toll Revenue Bonds," payable from earnings and from any other available sources of funds, to
1057 pay the cost of such projects;

1058 3. Subject to the limitations and approvals of § 33.1-279.1, issue revenue bonds of the
1059 Commonwealth to be known and designated as "Commonwealth of Virginia Transportation Contract
1060 Revenue Bonds," secured by Transportation Trust Fund revenues under a payment agreement between
1061 the Board and the Treasury Board, subject to their appropriation by the General Assembly and payable
1062 first from revenues received pursuant to contracts with a primary highway transportation improvement
1063 district or transportation service district or other local revenue sources for which specific funding of any
1064 such bonds may be authorized by law; second, to the extent required, from funds appropriated and
1065 allocated, pursuant to the highway allocation formula as provided by law, to the highway construction
1066 district in which the project or projects to be financed are located or to the county or counties in which
1067 the project or projects to be financed are located; and third, to the extent required, from other legally
1068 available revenues of the Trust Fund and from any other available source of funds;

1069 4. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of
1070 Virginia Transportation Revenue Bonds," secured (i) by revenues received from the U.S. Route 58
1071 Corridor Development Fund, subject to their appropriation by the General Assembly, (ii) to the extent
1072 required, from revenues legally available from the Transportation Trust Fund and (iii) to the extent
1073 required, from any other legally available funds which have been appropriated by the General Assembly;

1074 4a. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of
1075 Virginia Transportation Revenue Bonds," secured, subject to their appropriation by the General
1076 Assembly, first from (i) revenues received from the Northern Virginia Transportation District Fund, (ii)
1077 to the extent required, funds appropriated and allocated, pursuant to the highway allocation formula as
1078 provided by law, to the highway construction district in which the project or projects to be financed are
1079 located or to the city or county in which the project or projects to be financed are located, (iii) to the
1080 extent required, legally available revenues of the Transportation Trust Fund, and (iv) such other funds
1081 which may be appropriated by the General Assembly;

1082 4b. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of
1083 Virginia Transportation Program Revenue Bonds" secured, subject to their appropriation by the General
1084 Assembly, first from (i) any revenues received from any Set-aside Fund established by the General
1085 Assembly pursuant to § 58.1-816.1, (ii) to the extent required, revenues received pursuant to any
1086 contract with a local jurisdiction or any alternative mechanism for generation of local revenues for
1087 specific funding of a project satisfactory to the Commonwealth Transportation Board, (iii) to the extent
1088 required, funds appropriated and allocated, pursuant to the highway allocation formula as provided by
1089 law, to the highway construction district in which the project or projects to be financed are located or to
1090 the city or county in which the project or projects to be financed are located, (iv) to the extent required,
1091 legally available revenues of the Transportation Trust Fund, and (v) such other funds which may be
1092 appropriated by the General Assembly. No bonds for any project or projects shall be issued under the
1093 authority of this subsection unless such project or projects are specifically included in a bill or resolution
1094 passed by the General Assembly;

1095 4c. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of
1096 Virginia Transportation Program Revenue Bonds" secured, subject to their appropriation by the General
1097 Assembly, first from (i) any revenues received from the Commonwealth Transit Capital Fund established
1098 by the General Assembly pursuant to subdivision A 4 g of § 58.1-638, (ii) to the extent required, legally
1099 available revenues of the Transportation Trust Fund, and (iii) such other funds which may be
1100 appropriated by the General Assembly. No bonds for any project or projects shall be issued under the
1101 authority of this subsection unless such project or projects are specifically included in a bill or resolution
1102 passed by the General Assembly;

1103 4d. Issue revenue bonds of the Commonwealth from time to time to be known and designated as
1104 "Commonwealth of Virginia Federal Highway Reimbursement Anticipation Notes" secured, subject to
1105 their appropriation by the General Assembly, (i) first from any federal highway reimbursements and any

other federal highway assistance received from time to time by the Commonwealth, (ii) then, at the discretion of the Board, to the extent required, from legally available revenues of the Transportation Trust Fund, and (iii) then from such other funds, if any, which are designated by the General Assembly for such purpose;

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

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

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

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

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

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

On any toll project, the Board shall pay the cost and expense of relocation or removal as a part of the cost of the project for those public utility facilities owned or operated by the Commonwealth or such municipality, county, political subdivision, public utility or public service corporation. On all other projects, under this article, the Board shall pay the cost and expense of relocation or removal as a part of the cost of the project for those public utility facilities owned or operated by the Commonwealth or 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 Notes issued under the provisions of this article for projects as provided in subdivision 2 v of § 33.1-268 shall not be deemed to constitute a debt of the Commonwealth of Virginia or a pledge of the full faith and credit of the Commonwealth, but such bonds shall be payable solely from the funds herein provided therefor (i) from the revenues deposited into the Commonwealth Transportation Capital Projects Debt Service Fund established pursuant to § 58.1-2532; (ii) to the extent required, from revenues legally available from the Transportation Trust Fund; and (iii) to the extent required, from any other legally available funds.

CHAPTER 10.2.

HAMPTON ROADS TRANSPORTATION AUTHORITY.

§ 33.1-391.6. Short Title.

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

§ 33.1-391.7. Authority created.

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

§ 33.1-391.8. Powers of the Authority.

Notwithstanding any contrary provision of this title and in accordance with all applicable federal statutes and requirements, the Authority shall control and operate and may impose and collect tolls in amounts established by the Authority for the use of any new or improved highway, bridge, tunnel, or transportation facility (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,

1290 *Newport News, Norfolk, Portsmouth, Suffolk, Virginia Beach, and Williamsburg, who shall serve with*
1291 *voting privileges; (ii) a member of the Commonwealth Transportation Board who resides in a county or*
1292 *city embraced by the Authority appointed by the Governor who shall serve ex officio without a vote; (iii)*
1293 *the Director of the Virginia Department of Rail and Public Transportation, or his designee, who shall*
1294 *serve ex officio without a vote; (iv) the Commonwealth Transportation Commissioner, or his designee,*
1295 *who shall serve ex officio without a vote; (v) two members of the Virginia House of Delegates who shall*
1296 *reside in a city or county set forth under clause (i), neither of whom shall reside in the same city or*
1297 *county, appointed by the Speaker of the House of Delegates; and (vi) one member of the Senate of*
1298 *Virginia who shall reside in a city or county set forth under clause (i), appointed by the Senate*
1299 *Committee on Rules. Each representative of a local governing body shall be appointed by a majority*
1300 *vote of the respective local governing body and shall be a member of the local governing body by which*
1301 *he is appointed. In the event that a member of the Authority who is appointed by a local governing*
1302 *body ceases to be a member of that local governing body, he may no longer serve as a member of the*
1303 *Authority. Members of the Authority appointed by local governing bodies shall serve for terms of four*
1304 *years and may be reappointed for one additional term of four years. Any member of the Authority*
1305 *appointed by a local governing body who is initially appointed to serve a term of less than three years*
1306 *may thereafter be appointed for two successive four-year terms. For the purpose of initial appointments*
1307 *and in order to provide for staggered terms, those members appointed by the City Council of the City of*
1308 *Hampton, the City Council of the City of Newport News, and the Board of Supervisors of James City*
1309 *County shall be appointed for terms of two years; those members who are appointed by the City*
1310 *Council of the City of Norfolk, the City Council of the City of Chesapeake, and the City Council of the*
1311 *City of Portsmouth shall be appointed for terms of three years; and the remaining representatives of*
1312 *local governing bodies shall be appointed for terms of four years. Legislative members shall serve terms*
1313 *coincident with their terms of office. Vacancies shall be filled by appointment for the unexpired term by*
1314 *the same process as used to make the original appointment.*

1315 *The Authority shall annually elect a chairman and vice-chairman from among its membership, each*
1316 *of whom shall continue to hold such office until their respective successors are elected.*

1317 *A majority of the members of the Authority shall constitute a quorum for the transaction of business.*

1318 *Members of the Authority shall be reimbursed for their actual and necessary expenses incurred in*
1319 *the performance of their duties and, in addition, shall be paid a per diem equal to the amount paid*
1320 *members of the Commonwealth Transportation Board for each day or portion thereof during which they*
1321 *are engaged in the official business of the Authority.*

1322 *The Auditor of Public Accounts, or his legally authorized representatives, shall annually audit the*
1323 *financial accounts of the Authority, and the cost of such audit shall be borne by the Authority.*

1324 *§ 33.1-391.10. Additional powers of the Authority.*

1325 *The Authority shall have the following powers together with all powers incidental thereto or*
1326 *necessary for the performance of those hereinafter stated:*

1327 *1. To sue and be sued and to prosecute and defend, at law or in equity, in any court having*
1328 *jurisdiction of the subject matter and of the parties;*

1329 *2. To adopt and use a corporate seal and to alter the same at its pleasure;*

1330 *3. To procure insurance, participate in insurance plans, and provide self-insurance; however, the*
1331 *purchase of insurance, participation in an insurance plan, or the creation of a self-insurance plan by*
1332 *the Authority shall not be deemed a waiver or relinquishment of any sovereign immunity to which the*
1333 *Authority or its officers, directors, employees, or agents are otherwise entitled;*

1334 *4. To establish bylaws and make all rules and regulations, not inconsistent with the provisions of this*
1335 *chapter, deemed expedient for the management of the Authority's affairs;*

1336 *5. To apply for and accept money, materials, contributions, grants, or other financial assistance from*
1337 *the United States and agencies or instrumentalities thereof, the Commonwealth, and any political*
1338 *subdivision, agency, or instrumentality of the Commonwealth, and from any legitimate private source;*

1339 *6. To acquire real and personal property or any interest therein by purchase, lease, gift, or*
1340 *otherwise (and to the extent not inconsistent with the provisions of § 33.1-422) for purposes consistent*
1341 *with this chapter; and to hold, encumber, sell, or otherwise dispose of such land or interest for purposes*
1342 *consistent with this chapter;*

1343 *7. To acquire by purchase, lease, contract, or otherwise (and to the extent not inconsistent with the*
1344 *provisions of § 33.1-422), highways, bridges, tunnels, railroads, rolling stock, and transit and rail*
1345 *facilities and other transportation-related facilities; and to construct the same by purchase, lease,*
1346 *contract, or otherwise in the manner and to the extent not inconsistent with the provisions of the first*
1347 *paragraph of § 33.1-422;*

1348 *8. In coordination with the Commonwealth Transportation Board and with each city or county in*
1349 *which the facility or any part thereof is or is to be located, to repair, expand, enlarge, construct,*
1350 *reconstruct, or renovate any or all of the transportation facilities referred to in § 33.1-391.8, and to*
1351 *acquire any real or personal property needed for any such purpose;*

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

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

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

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

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

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

First Phase Projects:

Route 460 Upgrade; I-64 Widening on the Peninsula; I-64 Widening on the Southside; Midtown Tunnel/MLK Extension; Southeastern Parkway/Dominion Blvd; I-664 Widening in Newport News; I-664 Widening on the Southside; I-664 Monitor Merrimac Memorial 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 and one of whom shall be a member of the governing body of the County of Northampton. 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

1413 is appointed. In the event that a member of the Authority who is appointed by the governing body of the
1414 County of Accomack or the County of Northampton ceases to be a member of that local governing body,
1415 he may no longer serve as a member of the Authority. Members of the Authority appointed by the
1416 County of Accomack or the County of Northampton shall serve for terms of four years and may be
1417 appointed for one additional term of four years.

1418 § 33.1-391.13. Issuance of bonds by the Chesapeake Bay Bridge and Tunnel Commission.

1419 On a prospective basis, prior to issuing any bond with a maturity date that extends beyond the
1420 maturity date of any bond that it refinances, the Chesapeake Bay Bridge and Tunnel Commission shall
1421 provide written notice of the contemplated issuance to the Chairmen of the Senate Committee on
1422 Finance and the House Committee on Appropriations at such time as when the General Assembly is in
1423 regular session. This provision shall not apply to any bond issued to provide for the payment of any
1424 temporary or interim financing.

1425 On a prospective basis, prior to issuing any bonds for the purposes of financing the construction of
1426 new or additional tunnels, the Chesapeake Bay Bridge and Tunnel Commission shall provide written
1427 notice of the contemplated issuance to the Chairmen of the Senate Committee on Finance and the House
1428 Committee on Appropriations at such time as when the General Assembly is in regular session.

1429 § 33.1-391.14. Continuing responsibilities of the Commonwealth Transportation Board and the
1430 Virginia Department of Transportation.

1431 Except as otherwise explicitly provided in this chapter, until such time as the Authority and the
1432 Virginia Department of Transportation, or the Authority and the Commonwealth Transportation Board,
1433 agree otherwise in writing, the Commonwealth Transportation Board shall allocate funding to and the
1434 Department of Transportation shall perform or cause to be performed all maintenance and operation of
1435 the bridges, tunnels, and roadways referred to in § 33.1-391.8, and shall perform such other required
1436 services and activities with respect to such bridges, tunnels, and roadways as were being performed on
1437 January 1, 2007.

1438 § 33.1-391.15. Hampton Roads Planning District Commission to provide administrative services and
1439 office facilities.

1440 The staff of the Hampton Roads Planning District Commission and the Virginia Department of
1441 Transportation shall work cooperatively to assist the proper formation and effective organization of the
1442 Authority. Until such time as the Authority is fully established and functioning, the staff of the Hampton
1443 Roads Planning District Commission shall serve as its staff, and the Hampton Roads Planning District
1444 Commission shall provide the Authority with office space and administrative support. The Authority shall
1445 reimburse the Hampton Roads Planning District Commission for the cost of such staff, office space, and
1446 administrative support as appropriate.

1447 § 33.1-391.16. Use of revenues by the Authority.

1448 Notwithstanding any other provision of this chapter, all moneys received by the Authority shall be
1449 used by the Authority solely for the benefit of those counties and cities that have a member of the local
1450 governing body serving as a member of the Authority, and such moneys shall be used by the Authority
1451 in a manner that is consistent with the purposes stated in this chapter.

1452 § 33.1-391.17. Local Transportation Fees.

1453 No locality imposing any local fee or tax authorized by subsection A of § 46.2-332.1, subsection A of
1454 § 46.2-755.1, subsection A of § 46.2-755.2, subsection A of § 46.2-1167.1, subdivisions K 1 and K 2 of
1455 § 58.1-605, subdivisions H 1 and H 2 of § 58.1-606, subsection A of § 58.1-802.2, subsection A of
1456 § 58.1-2402.2, or § 58.1-3221.3 shall cease to impose such fee or tax so long as the Hampton Roads
1457 Transportation Authority (i) is currently engaged in a transportation project within the boundaries of the
1458 locality or that benefits the locality, (ii) has entered into a binding commitment to begin a
1459 transportation project within the boundaries of the locality, or that benefits the locality, or (iii) has
1460 issued bonds or incurred other evidence of debt that has not been satisfied or paid in full and that
1461 relates to a transportation project undertaken by the Authority within the boundaries of the locality, or
1462 that benefits the locality.

1463 § 33.1-391.18. Hampton Roads Transportation Authority Revenues Fund established.

1464 There is hereby created in the state treasury a special nonreverting fund to be known as the
1465 Hampton Roads Transportation Authority Revenues Fund, hereafter referred to as "the Fund." The Fund
1466 shall be established on the books of the Comptroller. All revenues dedicated for the Fund pursuant to
1467 subsection B of §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-802.2, 58.1-2402.2, and
1468 § 58.1-638, and as may be appropriated by the General Assembly, shall be paid into the state treasury
1469 and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be
1470 credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal
1471 year shall not revert to the general fund but shall remain in the Fund.

1472 Moneys in the Fund shall be used by the Authority solely for the purposes stated in this chapter.
1473 Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued
1474 by the Comptroller upon written request signed by the chairman of the Authority or his designee.

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

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

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

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

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

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

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

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

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

6. *For the purposes of this section:*

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

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

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

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

F. *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 shall be assessed a fee of \$100 plus \$75 for each demerit point in excess of eight, but not greater than \$700.*

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

H. *The Department shall notify every person assessed a fee under subsection F 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.*

I. 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.

J. 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 Transportation Trust Fund and be used according to § 33.1-23.03:10.

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

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

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

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

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

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

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

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

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

A. 1. Beginning January 1, 2008, in addition to all other fees authorized by this chapter, 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, 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 that the governing body authorizes the Commissioner to transfer the revenues collected 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 additional fee of \$20 for the issuance, whether initial or renewal, of a driver's license authorized under this subsection, provided that the governing body authorizes the Commissioner to transfer the revenues collected 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.

3. 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.

Any and all fees imposed pursuant to this subsection 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.

B. 1. For each county or city that is authorized to impose the additional fee under subdivision A 1, but that is not imposing such fee as of April 1, 2008, or at any time subsequent to such date, then, at such time or times the county or city is not imposing the additional fee, there is hereby levied and imposed an additional fee of \$20 for the issuance, whether initial or renewal, of a driver's license to any resident of such county or city.

2. If the governing body of the County of Accomack or the County of Northampton is not imposing the additional fee under subdivision A 2 as of the first day of the sixth month following the date the county was first authorized to impose such fee, or is not imposing such additional fee at any time subsequent to the first day of the sixth month following such initial authorization, then, at such time or times the respective county is not imposing the additional fee, there is hereby levied and imposed an additional fee of \$20 for the issuance, whether initial or renewal, of a driver's license to any resident of the respective county.

3. The fee imposed under this subsection shall be collected by the Department of Motor Vehicles. Except as provided in this subsection, the fee shall otherwise be imposed, administered, and collected under the same terms and conditions as set forth for the fee in subsection A. All revenues collected shall be deposited by the Comptroller in the Hampton Roads Transportation Authority Revenues Fund established under § 33.1-391.18.

4. The fee pursuant to subsection A shall not be imposed in any county or city for which the fee under this subsection is being imposed.

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

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

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

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

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

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

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

6. Thirteen dollars plus \$ 0.30 per 100 pounds or major fraction thereof for each motor vehicle, trailer, or semitrailer used as a common carrier of passengers, operating either intrastate or interstate. Interstate common carriers of interstate passengers may elect to be licensed and pay the fees prescribed

1659 in subdivision 7 of this subsection on submission to the Commissioner of a declaration of operations and
1660 equipment as he may prescribe. An additional \$5 shall be charged if the motor vehicle weighs more
1661 than 4,000 pounds.

1662 7. Thirteen dollars plus \$ 0.70 per 100 pounds or major fraction thereof for each motor vehicle,
1663 trailer, or semitrailer used as a common carrier of interstate passengers if election is made to be licensed
1664 under this subsection. An additional \$5 shall be charged if the motor vehicle weighs more than 4,000
1665 pounds. In lieu of the foregoing fee of \$ 0.70 per 100 pounds, a motor carrier of passengers, operating
1666 two or more vehicles both within and outside the Commonwealth and registered for insurance purposes
1667 with the Surface Transportation Board of the United States Department of Transportation, Federal
1668 Highway Administration, may apply to the Commissioner for prorated registration. Upon the filing of
1669 such application, in such form as the Commissioner may prescribe, the Commissioner shall apportion the
1670 registration fees provided in this subsection so that the total registration fees to be paid for such vehicles
1671 of such carrier shall be that proportion of the total fees, if there were no apportionment, that the total
1672 number of miles traveled by such vehicles of such carrier within the Commonwealth bears to the total
1673 number of miles traveled by such vehicles within and outside the Commonwealth. Such total mileage in
1674 each instance is the estimated total mileage to be traveled by such vehicles during the license year for
1675 which such fees are paid, subject to the adjustment in accordance with an audit to be made by
1676 representatives of the Commissioner at the end of such license year, the expense of such audit to be
1677 borne by the carrier being audited. Each vehicle passing into or through Virginia shall be registered and
1678 licensed in Virginia and the annual registration fee to be paid for each such vehicle shall not be less
1679 than \$33. For the purpose of determining such apportioned registration fees, only those motor vehicles,
1680 trailers, or semitrailers operated both within and outside the Commonwealth shall be subject to inclusion
1681 in determining the apportionment provided for herein.

1682 8. Thirteen dollars plus \$ 0.80 per 100 pounds or major fraction thereof for each motor vehicle,
1683 trailer or semitrailer kept or used for rent or for hire or operated under a lease without a chauffeur for
1684 the transportation of passengers. An additional fee of \$5 shall be charged if the vehicle weighs more
1685 than 4,000 pounds. This subsection does not apply to vehicles used as common carriers.

1686 9. Twenty-three dollars for a taxicab or other vehicle which is kept for rent or hire operated with a
1687 chauffeur for the transportation of passengers, and which operates or should operate under permits issued
1688 by the Department as required by law. An additional fee of \$5 shall be charged if the vehicle weighs
1689 more than 4,000 pounds. This subsection does not apply to vehicles used as common carriers.

1690 10. Eighteen dollars for a motorcycle, with or without a sidecar. To this fee shall be added a
1691 surcharge of \$3 which shall be distributed as provided in § 46.2-1191.

1692 11. Twenty-three dollars for a bus used exclusively for transportation to and from church school, for
1693 the purpose of religious instruction, or church, for the purpose of divine worship. If the empty weight of
1694 the vehicle exceeds 4,000 pounds, the fee shall be \$28.

1695 12. Thirteen dollars plus \$ 0.70 per 100 pounds or major fraction thereof for other passenger-carrying
1696 vehicles.

1697 13. An additional fee of \$4 per year shall be charged and collected at the time of registration of each
1698 pickup or panel truck and each motor vehicle under subdivisions 1 through 12 of this subsection. All
1699 funds collected pursuant to this subdivision shall be paid into the state treasury and shall be set aside as
1700 a special fund to be used only for emergency medical service purposes. The moneys in the special fund
1701 shall be distributed as follows:

1702 a. Two percent shall be distributed to the State Department of Health to provide funding to the
1703 Virginia Association of Volunteer Rescue Squads to be used solely for the purpose of conducting
1704 volunteer recruitment, retention and training activities;

1705 b. Thirty percent shall be distributed to the State Department of Health to support (i) emergency
1706 medical services training programs (excluding advanced life support classes); (ii) advanced life support
1707 training; (iii) recruitment and retention programs (all funds for such support shall be used to recruit and
1708 retain volunteer emergency medical services personnel only, including public awareness campaigns,
1709 technical assistance programs, and similar activities); (iv) emergency medical services system
1710 development, initiatives, and priorities based on needs identified by the State Emergency Medical
1711 Services Advisory Board; (v) local, regional, and statewide performance contracts for emergency medical
1712 services to meet the objectives stipulated in § 32.1-111.3; (vi) technology and radio communication
1713 enhancements; and (vii) improved emergency preparedness and response. Any funds set aside for
1714 distribution under this provision and remaining undistributed at the end of any fiscal year shall revert to
1715 the Rescue Squad Assistance Fund;

1716 c. Thirty-two percent shall be distributed to the Rescue Squad Assistance Fund;

1717 d. Ten percent shall be available to the State Department of Health's Office of Emergency Medical
1718 Services for use in emergency medical services; and

1719 e. Twenty-six percent shall be returned by the Comptroller to the locality wherein such vehicle is
1720 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 funds that such moneys are only to be used for purposes set forth in this subdivision. Such funds shall be in addition to any local appropriations and local governing bodies shall not use these funds to supplant local funds. Each local governing body shall report annually to the Board of Health on the use of the funds returned to it pursuant to this section. In any case in which the local governing body grants the funds to a regional emergency medical services council to be distributed to the licensed, nonprofit emergency medical and rescue services, the local governing body shall remain responsible for the proper use of the funds. If, at the end of any fiscal year, a report on the use of the funds returned to the locality pursuant to this section for that year has not been received from a local governing body, any funds due to that local governing body for the next fiscal year shall be retained until such time as the report has been submitted to the Board.

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

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

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

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

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

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

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

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

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

	Fee Per Thousand Pounds of Gross Weight	
Gross Weight	Private	For Rent or
Groups (pounds)	Carriers	For Hire Carriers
10,001 - 11,000	\$2.60 3.17	\$4.75 5.80
11,001 - 12,000	2.80 3.42	4.90 5.98
12,001 - 13,000	3.00 3.66	5.15 6.28
13,001 - 14,000	3.20 3.90	5.40 6.59
14,001 - 15,000	3.40 4.15	5.65 6.89
15,001 - 16,000	3.60 4.39	5.90 7.20
16,001 - 17,000	4.00 4.88	6.15 7.50

1781	17,001 - 18,000	4.405.37	6.407.81
1782	18,001 - 19,000	4.805.86	7.509.15
1783	19,001 - 20,000	5.206.34	7.709.39
1784	20,001 - 21,000	5.606.83	7.909.64
1785	21,001 - 22,000	6.007.32	8.109.88
1786	22,001 - 23,000	6.407.81	8.3010.13
1787	23,001 - 24,000	6.808.30	8.5010.37
1788	24,001 - 25,000	6.908.42	8.7010.61
1789	25,001 - 26,000	6.958.48	8.9010.86
1790	26,001 - 27,000	8.2510.07	10.3512.63
1791	27,001 - 28,000	8.3010.13	10.5512.87
1792	28,001 - 29,000	8.3510.18	10.7513.12
1793	29,001 - 40,000	8.4510.31	10.9513.36
1794	40,001 - 45,000	8.5510.43	11.1513.60
1795	45,001 - 50,000	8.7510.68	11.2513.73
1796	50,001 - 55,000	9.2511.29	13.2516.17
1797	55,001 - 76,000	11.2513.73	15.2518.61
1798	76,001 - 80,000	13.2516.17	16.2519.83

1799 For all such motor vehicles exceeding a gross weight of 6,500 pounds, an additional fee of five
 1800 dollars shall be imposed.

1801 B. In lieu of registering any motor vehicle referred to in this section for an entire licensing year, the
 1802 owner may elect to register the vehicle only for one or more quarters of a licensing year, and in such
 1803 case, the fee shall be twenty-five percent of the annual fee plus five dollars for each quarter that the
 1804 vehicle is registered.

1805 C. When an owner elects to register and license a motor vehicle under subsection B of this section,
 1806 the provisions of §§ 46.2-646 and 46.2-688 shall not apply.

1807 D. Notwithstanding any other provision of law, no vehicle designed, equipped, and used to tow
 1808 disabled or inoperable motor vehicles shall be required to register in accordance with any gross weight
 1809 other than the gross weight of the towing vehicle itself, exclusive of any vehicle being towed.

1810 E. All registrations and licenses issued for less than a full year shall expire on the date shown on the
 1811 license and registration.

1812 § 46.2-702.1. *Distribution of certain revenue.*

1813 *The net additional revenues generated by increases in the registration fees under §§ 46.2-694,*
 1814 *46.2-694.1, and 46.2-697 pursuant to enactments of the 2007 Session of the General Assembly, shall be*
 1815 *deposited by the Comptroller into the Transportation Trust Fund and be used according to*
 1816 *§ 33.1-23.03:10.*

1817 § 46.2-755.1. *Additional annual license fees in certain localities.*

1818 A. 1. In addition to taxes and license fees imposed pursuant to § 46.2-752 and to all other taxes and
 1819 fees permitted by law, beginning January 1, 2008, the governing body of each of the Counties of Isle of
 1820 Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk,
 1821 Portsmouth, Suffolk, Virginia Beach, and Williamsburg are authorized to charge an additional annual
 1822 license fee in the amount of \$10 for all vehicles for which the locality is authorized to collect an annual
 1823 license fee, provided that the governing body authorizes the Commissioner to transfer the revenues
 1824 collected to the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for
 1825 the purposes set forth in § 33.1-391.16.

1826 2. At such time as the Chesapeake Bay Bridge-Tunnel becomes subject to the control of the Hampton
 1827 Roads Transportation Authority as provided in § 33.1-391.12, the governing body of each of the
 1828 Counties of Accomack and Northampton may by ordinance impose the additional annual license fee of
 1829 \$10 for all vehicles for which the county is authorized to collect an annual license fee, provided that the
 1830 governing body authorizes the Commissioner to transfer the revenues collected to the Hampton Roads
 1831 Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in
 1832 § 33.1-391.16.

1833 3. Any and all fees imposed pursuant to this subsection shall be collected by the Department of
 1834 Motor Vehicles at the time the vehicle is registered with the Department or when its registration is
 1835 renewed. Each fee shall be denominated by the Department as the "Hampton Roads Improvement Fee."
 1836 All such fees shall be remitted by the Comptroller on a monthly basis to the Hampton Roads
 1837 Transportation Authority to be used for the purposes set forth in § 33.1-391.16. The Commissioner shall
 1838 maintain records of the fee imposed and collected and the locality and address where each vehicle is
 1839 registered.

1840 B. 1. For each county or city that is authorized to impose the additional annual license fee under

subdivision A 1, but that is not imposing such fee as of April 1, 2008, or at any time subsequent to such date, then, at such time or times the county or city is not imposing the additional annual license fee, there is hereby levied and imposed an additional annual license fee in the amount of \$10 for each vehicle registered in the county or city to be imposed at the time the vehicle is registered with the Department or when its registration is renewed.

2. If the governing body of the County of Accomack or the County of Northampton is not imposing the additional annual license fee under subdivision A 2 as of the first day of the sixth month following the date the county was first authorized to impose such fee, or is not imposing such additional fee at any time subsequent to the first day of the sixth month following such initial authorization, then, at such time or times the respective county is not imposing the additional annual license fee, there is hereby levied and imposed an additional annual license fee in the amount of \$10 for each vehicle registered in the respective county to be imposed at the time the vehicle is registered with the Department or when its registration is renewed.

3. The additional annual license fee imposed under this subsection shall be collected by the Department of Motor Vehicles. Except as provided in this subsection, the fee shall otherwise be imposed, administered, and collected under the same terms and conditions as set forth for the fee in subsection A. All revenues collected shall be deposited by the Comptroller in the Hampton Roads Transportation Authority Revenues Fund established under § 33.1-391.18.

4. The fee pursuant to subsection A shall not be imposed in any county or city for which the fee under this subsection is being imposed.

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

A. 1. In addition to taxes and license fees imposed pursuant to § 46.2-752 and to all other taxes and fees permitted by law, 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, 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, provided that the governing body authorizes the Commissioner to transfer the revenues collected 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. License fees authorized by this subsection or imposed under subsection B shall be imposed only once, so long as the ownership of the vehicle upon which they are imposed remains unchanged, regardless of whether the fee has been collected by another locality or paid pursuant to subsection B. In addition, no such license fee shall be imposed under this subsection or subsection B on any vehicle that was registered in another county or city of the Commonwealth immediately prior to the registration of such vehicle in another county or city of the Commonwealth, so long as the ownership of the vehicle remains unchanged.

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 1% additional initial, one-time license fee described under subdivision A 1, provided that the governing body authorizes the Commissioner to transfer the revenues collected 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.

3. 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.

4. Any and all fees collected by the Department of Motor Vehicles under this subsection 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 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.

B. 1. For each county or city that is authorized to impose the additional initial, one-time license fee under subdivision A 1, but that is not imposing such fee as of April 1, 2008, or at any time subsequent to such date, then, at such time or times the county or city is not imposing the initial one-time license fee, there is hereby levied and imposed an additional initial, one-time 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 county or city by the owner of the vehicle.

2. If the governing body of the County of Accomack or the County of Northampton is not imposing the additional initial, one-time license fee under subdivision A 2 as of the first day of the sixth month following the date the county was first authorized to impose such fee, or is not imposing such additional fee at any time subsequent to the first day of the sixth month following such initial authorization, then,

1902 *at such time or times the respective county is not imposing the additional initial, one-time license fee,*
 1903 *there is hereby levied and imposed an additional initial, one-time license fee at the rate of 1% of the*
 1904 *retail value of the vehicle, according to the National Automobile Dealers Association, at the time the*
 1905 *vehicle is first registered in the respective county by the owner of the vehicle.*

1906 *3. The additional initial, one-time license fee imposed under this subsection shall be paid to and*
 1907 *collected by the Department of Motor Vehicles, and shall not be collectable or collected by any licensed*
 1908 *dealer at the time of the sale of any vehicle.*

1909 *Except as provided in this subsection, the fee shall otherwise be imposed, administered, and collected*
 1910 *under the same terms and conditions as set forth for the fee in subsection A. All revenues collected shall*
 1911 *be deposited by the Comptroller in the Hampton Roads Transportation Authority Revenues Fund*
 1912 *established under § 33.1-391.18.*

1913 *4. The fee pursuant to subsection A shall not be imposed in any county or city for which the fee*
 1914 *under this subsection is being imposed.*

1915 § 46.2-1135. Liquidated damages for violation of weight limits.

1916 A. Any person violating any weight limit as provided in this chapter or in any permit issued pursuant
 1917 to Article 18 (§ 46.2-1139 et seq.) of this chapter by the Department or its designee or by local
 1918 authorities pursuant to this chapter shall be assessed liquidated damages. The amount of those damages
 1919 shall be:

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

4,000 pounds or less	1 cent per pound
4,001 to 8,000 pounds	5 cents per pound
8,001 to 12,000 pounds	10 cents per pound
12,001 pounds or more	15 cents per pound
2,000 pounds or less	1 cent per pound
2,001 to 4,000 pounds	3 cents per pound
4,001 to 8,000 pounds	7 cents per pound
8,001 to 12,000 pounds	12 cents per pound
12,001 pounds or more	20 cents per pound

1948 All gross permit violations shall be assessed \$.20 per pound over the permitted weight limit.

1949 *In addition to all damages assessed herein, for every violation of any weight limit as provided in this*
 1950 *chapter or in any permit issued pursuant to Article 18 (§ 46.2-1139 et seq.) of this chapter, there shall*
 1951 *be assessed additional liquidated damages of \$20.*

1952 If a person has no prior violations under the motor vehicle weight laws, and the excess weight does
 1953 not exceed 2,500/1,500 pounds, the general district court may waive the liquidated damages against such
 1954 person. Except as provided by § 46.2-1138, such assessment shall be entered by the court or by the
 1955 Department as a judgment for the Commonwealth, the entry of which shall constitute a lien upon the
 1956 overweight vehicle. Except as provided by § 46.2-1138, such sums shall be paid to the Department or
 1957 collected by the attorney for the Commonwealth and forwarded to the State Treasurer and allocated to
 1958 the fund appropriated for the construction and maintenance of state highways.

1959 B. If the gross weight of the vehicle exceeds lawful limits by at least 25 percent but no more than
 1960 50 percent, the amount of the liquidated damages shall be two times the amount provided for in the

foregoing provisions of this section; if the gross weight of the vehicle exceeds lawful limits by more than 50 percent, the amount of the liquidated damages shall be three times the amount provided for in the foregoing provisions of this section. The provisions of this subsection shall not apply to pickup or panel trucks.

C. The increases in the liquidated damages under subsection A pursuant to enactments of the 2007 Session of the General Assembly shall not be applicable to any motor vehicle hauling forest products from the place where such products are first produced, cut, harvested, or felled to the location where they are first processed. Notwithstanding any other provision in this section, except as provided by § 46.2-1138, the revenues generated by the increases in the liquidated damages under this section pursuant to enactments of the 2007 Session of the General Assembly shall be paid to the Department or collected by the attorney for the Commonwealth and forwarded to the State Treasurer and deposited into the into the Transportation Trust Fund and used according to § 33.1-23.03:10.. For the revenues paid to the Department, the Commissioner of the Department shall make such written certifications as are necessary for the Comptroller to make the required deposit into the Commonwealth Transportation Capital Projects Fund as soon as practicable.

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

A. 1. In addition to all other charges and fees permitted by law, 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, 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, providing that the governing body appropriates the revenue 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.

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 additional \$10 fee at the time of inspection of such vehicles, provided that the governing body appropriates the revenue 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.

3. Any and all fees imposed pursuant to this subsection 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 county or city. The official safety inspection station shall maintain records of the fees imposed and collected.

4. The governing body of any county or city imposing the fee pursuant to this subsection shall pay the revenues collected from such fee to the Hampton Roads Transportation Authority as soon as practicable.

B. 1. For each county or city that is authorized to impose the additional \$10 fee at the time of inspection for certain vehicles under subdivision A 1, but that is not imposing such fee as of April 1, 2008, or at any time subsequent to such date, then, at such time or times the county or city is not imposing the additional \$10 fee, there is hereby levied and imposed in the county or city 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.

2. If the governing body of the County of Accomack or the County of Northampton is not imposing the additional \$10 fee at the time of inspection for certain vehicles under subdivision A 2 as of the first day of the sixth month following the date the county was first authorized to impose such fee, or is not imposing such additional fee at any time subsequent to the first day of the sixth month following such initial authorization, then, at such time or times the respective county is not imposing the additional \$10 fee at the time of inspection, there is hereby levied and imposed in the respective county 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.

3. The additional \$10 fee at the time of inspection imposed under this subsection shall be collected by the official safety inspection station at the time of inspection and shall be remitted on a monthly basis to the Commissioner of the Department of Motor Vehicles. The official safety inspection station shall maintain records of the fees imposed and collected.

Except as provided in this subsection, the fee shall otherwise be imposed, administered, and collected under the same terms and conditions as set forth for the fee in subsection A. All revenues collected shall be deposited by the Comptroller in the Hampton Roads Transportation Authority Revenues Fund established under § 33.1-391.18.

4. The fee pursuant to subsection A shall not be imposed in any county or city for which the fee under this subsection is being imposed.

§ 58.1-540. Levy of the tax.

2022 A. Any county having a population of more than 500,000, as determined by the 1980 U. S. Census,
2023 any county or city adjacent thereto, and any city contiguous to such an adjacent county or city, ~~or any~~
2024 ~~city with a population of at least 265,000,~~ is hereby authorized to levy a local income tax at any
2025 increment of one-quarter percent up to a maximum rate of one percent upon the Virginia taxable income
2026 as determined in § 58.1-322 for an individual, § 58.1-361 for a fiduciary of an estate or trust, or
2027 § 58.1-402 for a corporation, for each taxable year of every resident of such county or city or
2028 corporation having income from sources within such county or city, subject to the limitations of
2029 subsection B of this section. The same rate shall apply to individuals, fiduciaries and corporations.

2030 B. The authority to levy a local income tax as provided in subsection A may be exercised by a
2031 county or city governing body only if (i) *the county or city is not imposing any of the taxes and fees*
2032 *authorized pursuant to subsection B of § 46.2-332, and §§ 58.1-802.1, 58.1-2402.1, 58.1-3221.2, and*
2033 *-58.1-3825.1 and (ii) approved in a referendum within the county or city. The referendum shall be held*
2034 *in accordance with § 24.2-684. The referendum may be initiated either by a resolution of the governing*
2035 *body of the county or city or on the filing of a petition signed by a number of registered voters of the*
2036 *county or city equal in number to ten percent of the number of voters registered in the county or city on*
2037 *January 1 of the year in which the petition is filed with the circuit court of such county or city. The*
2038 *clerk of the circuit court shall publish notice of the election in a newspaper of general circulation in the*
2039 *county or city once a week for three consecutive weeks prior to the election. The ballot used shall be*
2040 *printed to read as follows:*

2041 "Shall the governing body of (...name of county or city...) have the authority to levy a local income
2042 tax of up to one percent for transportation purposes in accordance with § 58.1-540 of the Code of
2043 Virginia?

2044 ☐ Yes

2045 ☐ No"

2046 If the voters by a majority vote approve the authority of the local governing body to levy a local
2047 income tax, the tax may be imposed by the adoption of an ordinance by the governing body of the
2048 county or city in accordance with general or special law, and the tax may be thereafter enacted,
2049 modified or repealed as any other tax the governing body is empowered to levy subject only to the
2050 limitations herein. No ordinance levying a local income tax shall be repealed unless and until all debts
2051 or other obligations of the county or city to which such revenues are pledged or otherwise committed
2052 have been paid or provision made for payment.

2053 § 58.1-605. To what extent and under what conditions cities and counties may levy local sales taxes;
2054 collection thereof by Commonwealth and return of revenue to each city or county entitled thereto.

2055 A. No county, city or town shall impose any local general sales or use tax or any local general retail
2056 sales or use tax except as authorized by this section.

2057 B. The council of any city and the governing body of any county may levy a general retail sales tax
2058 at the rate of one percent to provide revenue for the general fund of such city or county. Such tax shall
2059 be added to the rate of the state sales tax imposed by §§ 58.1-603 and 58.1-604 and shall be subject to
2060 all the provisions of this chapter and the rules and regulations published with respect thereto. No
2061 discount under § 58.1-622 shall be allowed on a local sales tax.

2062 C. The council of any city and the governing body of any county desiring to impose a local sales tax
2063 under this section may do so by the adoption of an ordinance stating its purpose and referring to this
2064 section, and providing that such ordinance shall be effective on the first day of a month at least 60 days
2065 after its adoption. A certified copy of such ordinance shall be forwarded to the Tax Commissioner so
2066 that it will be received within five days after its adoption.

2067 D. Any local sales tax levied under this section shall be administered and collected by the Tax
2068 Commissioner in the same manner and subject to the same penalties as provided for the state sales tax.

2069 E. All local sales tax moneys collected by the Tax Commissioner under this section shall be paid
2070 into the state treasury to the credit of a special fund which is hereby created on the Comptroller's books
2071 under the name "Collections of Local Sales Taxes." Such local sales tax moneys shall be credited to the
2072 account of each particular city or county levying a local sales tax under this section. The basis of such
2073 credit shall be the city or county in which the sales were made as shown by the records of the
2074 Department and certified by it monthly to the Comptroller, namely, the city or county of location of
2075 each place of business of every dealer paying the tax to the Commonwealth without regard to the city or
2076 county of possible use by the purchasers. If a dealer has any place of business located in more than one
2077 political subdivision by reason of the boundary line or lines passing through such place of business, the
2078 amount of sales tax paid by such a dealer with respect to such place of business shall be treated for the
2079 purposes of this section as follows: one-half shall be assignable to each political subdivision where two
2080 are involved, one-third where three are involved, and one-fourth where four are involved.

2081 F. As soon as practicable after the local sales tax moneys have been paid into the state treasury in
2082 any month for the preceding month, the Comptroller shall draw his warrant on the Treasurer of Virginia
2083 in the proper amount in favor of each city or county entitled to the monthly return of its local sales tax

2084 moneys, and such payments shall be charged to the account of each such city or county under the
 2085 special fund created by this section. If errors are made in any such payment, or adjustments are
 2086 otherwise necessary, whether attributable to refunds to taxpayers, or to some other fact, the errors shall
 2087 be corrected and adjustments made in the payments for the next six months as follows: one-sixth of the
 2088 total adjustment shall be included in the payments for the next six months. In addition, the payment
 2089 shall include a refund of amounts erroneously not paid to the city or county and not previously refunded
 2090 during the three years preceding the discovery of the error. A correction and adjustment in payments
 2091 described in this subsection due to the misallocation of funds by the dealer shall be made within three
 2092 years of the date of the payment error.

2093 G. Such payments to counties are subject to the qualification that in any county wherein is situated
 2094 any incorporated town constituting a special school district and operated as a separate school district
 2095 under a town school board of three members appointed by the town council, the county treasurer shall
 2096 pay into the town treasury for general governmental purposes the proper proportionate amount received
 2097 by him in the ratio that the school age population of such town bears to the school age population of
 2098 the entire county. If the school age population of any town constituting a separate school district is
 2099 increased by the annexation of territory since the last preceding school age population census, such
 2100 increase shall, for the purposes of this section, be added to the school age population of such town as
 2101 shown by the last such census and a proper reduction made in the school age population of the county
 2102 or counties from which the annexed territory was acquired.

2103 H. One-half of such payments to counties are subject to the further qualification, other than as set
 2104 out in subsection G above, that in any county wherein is situated any incorporated town not constituting
 2105 a separate special school district which has complied with its charter provisions providing for the
 2106 election of its council and mayor for a period of at least four years immediately prior to the adoption of
 2107 the sales tax ordinance, the county treasurer shall pay into the town treasury of each such town for
 2108 general governmental purposes the proper proportionate amount received by him in the ratio that the
 2109 school age population of each such town bears to the school age population of the entire county, based
 2110 on the latest statewide school census. The preceding requirement pertaining to the time interval between
 2111 compliance with election provisions and adoption of the sales tax ordinance shall not apply to a tier-city.
 2112 If the school age population of any such town not constituting a separate special school district is
 2113 increased by the annexation of territory or otherwise since the last preceding school age population
 2114 census, such increase shall, for the purposes of this section, be added to the school age population of
 2115 such town as shown by the last such census and a proper reduction made in the school age population
 2116 of the county or counties from which the annexed territory was acquired.

2117 I. Notwithstanding the provisions of subsection H, the board of supervisors of a county may, in its
 2118 discretion, appropriate funds to any incorporated town not constituting a separate school district within
 2119 such county which has not complied with the provisions of its charter relating to the elections of its
 2120 council and mayor, an amount not to exceed the amount it would have received from the tax imposed
 2121 by this chapter if such election had been held.

2122 J. It is further provided that if any incorporated town which would otherwise be eligible to receive
 2123 funds from the county treasurer under subsection G or H of this section be located in a county which
 2124 does not levy a general retail sales tax under the provisions of this law, such town may levy a general
 2125 retail sales tax at the rate of one percent to provide revenue for the general fund of the town, subject to
 2126 all the provisions of this section generally applicable to cities and counties. Any tax levied under the
 2127 authority of this subsection shall in no case continue to be levied on or after the effective date of a
 2128 county ordinance imposing a general retail sales tax in the county within which such town is located.

2129 K. 1. *Notwithstanding the other provisions of this chapter, beginning January 1, 2008, the governing*
 2130 *body of each of the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake,*
 2131 *Hampton, Newport News, Norfolk, Portsmouth, Suffolk, Virginia Beach, and Williamsburg may, by*
 2132 *ordinance, impose a retail sales tax at the rate of 5% on (i) charges for separately stated labor or*
 2133 *services in the repair of motor vehicles, and (ii) charges for the repair of a motor vehicle in cases in*
 2134 *which the true object of the repair is a service, provided that the governing body of the locality*
 2135 *authorizes the Tax Commissioner to transfer the revenues collected from such tax to the Hampton Roads*
 2136 *Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in*
 2137 *§ 33.1-391.16.*

2138 2. *At such time as the Chesapeake Bay Bridge-Tunnel becomes subject to the control of the Hampton*
 2139 *Roads Transportation Authority as provided in § 33.1-391.12, the governing body of each of the*
 2140 *Counties of Accomack and Northampton may by ordinance impose the tax described under subdivision*
 2141 *1, provided that the governing body of the respective county authorizes the Tax Commissioner to*
 2142 *transfer the revenues collected from such tax to the Hampton Roads Transportation Authority*
 2143 *established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.16.*

2144 3. *The revenue generated and collected pursuant to the taxes authorized under subdivisions 1 and 2,*

2145 less the applicable portion of any refunds to taxpayers, shall be deposited and held in a special trust
2146 fund under the control of the State Treasurer entitled "Special Sales and Use Tax Motor Vehicle Repair
2147 Fund." The State Treasurer on a monthly basis shall distribute the amounts deposited in the special
2148 trust fund to the Hampton Roads Transportation Authority.

2149 4. No discount under § 58.1-622 shall be allowed for the taxes described under this subsection.
2150 Except as otherwise provided herein, the taxes under this subsection shall be administered and collected
2151 in the same manner and subject to the same penalties as provided for the local sales tax.

2152 § 58.1-605.1. Additional state sales tax in certain counties and cities in Hampton Roads.

2153 1. For each county or city that is authorized to impose the additional sales tax under subdivision K
2154 1 of § 58.1-605, but that is not imposing such tax as of April 1, 2008, or at any time subsequent to such
2155 date, then, at such time or times the county or city is not imposing such tax, there is hereby levied and
2156 imposed in the county or city a retail sales tax at the rate of 5% on (i) charges for separately stated
2157 labor or services in the repair of motor vehicles, and (ii) charges for the repair of a motor vehicle in
2158 cases in which the true object of the repair is a service.

2159 2. If the governing body of the County of Accomack or the County of Northampton is not imposing
2160 the additional sales tax under subdivision K 2 of § 58.1-605 as of the first day of the sixth month
2161 following the date the county was first authorized to impose such tax, or is not imposing such additional
2162 tax at any time subsequent to the first day of the sixth month following such initial authorization, then,
2163 at such time or times the respective county is not imposing the additional tax, there is hereby levied and
2164 imposed in the respective county a retail sales tax at the rate of 5% on (i) charges for separately stated
2165 labor or services for the repair of motor vehicles, and (ii) charges for the repair of a motor vehicle in
2166 cases in which the true object of the repair is a service.

2167 3. No discount under § 58.1-622 shall be allowed for the taxes described under this section. Except
2168 as otherwise provided herein, the taxes under this section shall be administered and collected in the
2169 same manner and subject to the same penalties as provided for the state sales tax.

2170 4. The taxes pursuant to subsection K of § 58.1-605 shall not be imposed in any county or city for
2171 which the taxes under this section are being imposed.

2172 § 58.1-606. To what extent and under what conditions cities and counties may levy local use tax;
2173 collection thereof by Commonwealth and return of revenues to the cities and counties.

2174 A. The council of any city and the governing body of any county which has levied or may hereafter
2175 levy a city or county sales tax under § 58.1-605 may levy a city or county use tax at the rate of one
2176 percent to provide revenue for the general fund of such city or county. Such tax shall be added to the
2177 rate of the state use tax imposed by this chapter and shall be subject to all the provisions of this chapter,
2178 and all amendments thereof, and the rules and regulations published with respect thereto, except that no
2179 discount under § 58.1-622 shall be allowed on a local use tax.

2180 B. The council of any city and the governing body of any county desiring to impose a local use tax
2181 under this section may do so in the manner following:

2182 1. If the city or county has previously imposed the local sales tax authorized by § 58.1-605, the local
2183 use tax may be imposed by the council or governing body by the adoption of a resolution by a majority
2184 of all the members thereof, by a recorded yea and nay vote, stating its purpose and referring to this
2185 section, and providing that the local use tax shall become effective on the first day of a month at least
2186 60 days after the adoption of the resolution. A certified copy of such resolution shall be forwarded to
2187 the Tax Commissioner so that it will be received within five days after its adoption. The resolution
2188 authorized by this paragraph may be adopted in the manner stated notwithstanding any other provision
2189 of law, including any charter provision.

2190 2. If the city or county has not imposed the local sales tax authorized by § 58.1-605, the local use
2191 tax may be imposed by ordinance together with the local sales tax in the manner set out in subsections
2192 B and C of § 58.1-605.

2193 C. Any local use tax levied under this section shall be administered and collected by the Tax
2194 Commissioner in the same manner and subject to the same penalties as provided for the state use tax.

2195 D. The local use tax authorized by this section shall not apply to transactions to which the sales tax
2196 applies, the situs of which for state and local sales tax purposes is the city or county of location of each
2197 place of business of every dealer paying the tax to the Commonwealth without regard to the city or
2198 county of possible use by the purchasers. However, the local use tax authorized by this section shall
2199 apply to tangible personal property purchased without this Commonwealth for use or consumption
2200 within the city or county imposing the local use tax, or stored within the city or county for use or
2201 consumption, where the property would have been subject to the sales tax if it had been purchased
2202 within this Commonwealth. The local use tax shall also apply to leases or rentals of tangible personal
2203 property where the place of business of the lessor is without this Commonwealth and such leases or
2204 rentals are subject to the state tax. Moreover, the local use tax shall apply in all cases in which the state
2205 use tax applies.

2206 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, subject to the limitations contained in § 33.1-391.17, 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, Portsmouth, Suffolk, Virginia Beach, and Williamsburg may, by ordinance, impose a 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 established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.16.

3. The revenue generated and collected pursuant to the taxes authorized under subdivisions 1 and 2, less the applicable portion of any refunds to taxpayers, shall be deposited and held in a special trust fund under the control of the State Treasurer entitled "Special Sales and Use Tax Motor Vehicle Repair Fund." The State Treasurer on a monthly basis shall distribute the amounts deposited in the special trust fund to the Hampton Roads Transportation Authority.

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

§ 58.1-606.1. Additional state use tax in certain counties and cities in Hampton Roads.

1. For each county or city that is authorized to impose the additional use tax under subdivision H 1 of § 58.1-606, but that is not imposing such tax as of April 1, 2008, or at any time subsequent to such date, then, at such time or times the county or city is not imposing such tax, there is hereby levied and imposed in the county or city a retail use tax at the rate of 5% on (i) charges for separately stated labor or services in 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.

2. If the governing body of the County of Accomack or the County of Northampton is not imposing the additional use tax under subdivision H 2 of § 58.1-606 as of the first day of the sixth month following the date the county was first authorized to impose such tax, or is not imposing such additional tax at any time subsequent to the first day of the sixth month following such initial authorization, then, at such time or times the respective county is not imposing the additional tax, there is hereby levied and imposed in the respective county a retail use tax at the rate of 5% on (i) charges for separately stated labor or services in 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.

3. No discount under § 58.1-622 shall be allowed for the taxes described under this section. Except as otherwise provided herein, the taxes under this section shall be administered and collected in the

2268 *same manner and subject to the same penalties as provided for the state use tax.*

2269 *4. The taxes pursuant to subsection H of § 58.1-606 shall not be imposed in any county or city for*
2270 *which the taxes under this section are being imposed.*

2271 *§ 58.1-609.5. Service exemptions.*

2272 *A. The tax imposed by this chapter or pursuant to the authority granted in § 58.1-605 or § 58.1-606*
2273 *shall not apply to the following:*

2274 *1. Professional, insurance, or personal service transactions which involve sales as inconsequential*
2275 *elements for which no separate charges are made; services rendered by repairmen for which a separate*
2276 *charge is made; and services not involving an exchange of tangible personal property which provide*
2277 *access to or use of the Internet and any other related electronic communication service, including*
2278 *software, data, content and other information services delivered electronically via the Internet.*

2279 *2. An amount separately charged for labor or services rendered in installing, applying, remodeling or*
2280 *repairing property sold.*

2281 *3. Transportation charges separately stated.*

2282 *4. Separately stated charges for alterations to apparel, clothing and garments.*

2283 *5. Charges for gift wrapping services performed by a nonprofit organization.*

2284 *6. An amount separately charged for labor or services rendered in connection with the modification*
2285 *of prewritten programs as defined in § 58.1-602.*

2286 *7. Custom programs as defined in § 58.1-602.*

2287 *8. The sale or charges for any room or rooms, lodgings, or accommodations furnished to transients*
2288 *for more than 90 continuous days by any hotel, motel, inn, tourist camp, tourist cabin, camping grounds,*
2289 *club, or any other place in which rooms, lodging, space or accommodations are regularly furnished to*
2290 *transients for a consideration.*

2291 *9. Beginning January 1, 1996, maintenance contracts, the terms of which provide for both repair or*
2292 *replacement parts and repair labor, shall be subject to tax upon one-half of the total charge for such*
2293 *contracts only. Persons providing maintenance pursuant to such a contract may purchase repair or*
2294 *replacement parts under a resale certificate of exemption. Warranty plans issued by an insurance*
2295 *company, which constitute insurance transactions, are subject to the provisions of subdivision 1 above.*

2296 *B. In general, separately stated charges for labor or services in the repair of motor vehicles shall be*
2297 *exempt from taxation under this chapter and also shall not be taxed under any local ordinance adopted*
2298 *pursuant to any authority granted under this chapter. In general, charges for the repair of a motor*
2299 *vehicle in cases in which the true object of the repair is a service shall be exempt from taxation under*
2300 *this chapter and also shall not be taxed under any local ordinance adopted pursuant to any authority*
2301 *granted under this chapter.*

2302 *However, the general exemptions under this subsection shall not be applicable as provided in*
2303 *subsection K of § 58.1-605 and § 58.1-605.1 and subsection H of § 58.1-606 and § 58.1-606.1.*

2304 *§ 58.1-625.1. Certain dealers required to separately state labor or service charges in the repair of*
2305 *motor vehicles.*

2306 *Any dealer or other person required to collect any tax imposed under this chapter, or pursuant to*
2307 *any authority granted under this chapter, who is located in any county or city set forth in subdivision K*
2308 *1 or subdivision K 2 of § 58.1-605, shall separately state on any bill, invoice, ticket, or other billing*
2309 *statement the amount charged by such dealer or person for labor or services performed in the repair of*
2310 *motor vehicles.*

2311 *§ 58.1-638. Disposition of state sales and use tax revenue; localities' share; Game Protection Fund.*

2312 *A. The Comptroller shall designate a specific revenue code number for all the state sales and use tax*
2313 *revenue collected under the preceding sections of this chapter.*

2314 *1. The sales and use tax revenue generated by the one-half percent sales and use tax increase enacted*
2315 *by the 1986 Special Session of the General Assembly shall be paid, in the manner hereinafter provided*
2316 *in this section, to the Transportation Trust Fund as defined in § 33.1-23.03:1. Of the funds paid to the*
2317 *Transportation Trust Fund, an aggregate of 4.2 percent shall be set aside as the Commonwealth Port*
2318 *Fund as provided in this section; an aggregate of 2.4 percent shall be set aside as the Commonwealth*
2319 *Airport Fund as provided in this section; and an aggregate of 14.5 percent in fiscal year 1998-1999 and*
2320 *14.7 percent in fiscal year 1999-2000 and thereafter shall be set aside as the Commonwealth Mass*
2321 *Transit Fund as provided in this section. The Fund's share of such net revenue shall be computed as an*
2322 *estimate of the net revenue to be received into the state treasury each month, and such estimated*
2323 *payment shall be adjusted for the actual net revenue received in the preceding month. All payments shall*
2324 *be made to the Fund on the last day of each month.*

2325 *2. There is hereby created in the Department of the Treasury a special nonreverting fund which shall*
2326 *be a part of the Transportation Trust Fund and which shall be known as the Commonwealth Port Fund.*

2327 *a. The Commonwealth Port Fund shall be established on the books of the Comptroller and the funds*
2328 *remaining in such Fund at the end of a biennium shall not revert to the general fund but shall remain in*
2329 *the Fund. Interest earned on such funds shall remain in the Fund and be credited to it. Funds may be*

paid to any authority, locality or commission for the purposes hereinafter specified.

b. The amounts allocated pursuant to this section shall be allocated by the Commonwealth Transportation Board to the Board of Commissioners of the Virginia Port Authority to be used to support port capital needs and the preservation of existing capital needs of all ocean, river, or tributary ports within the Commonwealth.

c. Commonwealth Port Fund revenue shall be allocated by the Board of Commissioners to the Virginia Port Authority in order to foster and stimulate the flow of maritime commerce through the ports of Virginia, including but not limited to the ports of Richmond, Hopewell and Alexandria.

3. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be part of the Transportation Trust Fund and which shall be known as the Commonwealth Airport Fund. The Commonwealth Airport Fund shall be established on the books of the Comptroller and any funds remaining in such Fund at the end of a biennium shall not revert to the general fund but shall remain in the Fund. Interest earned on the funds shall be credited to the Fund. The funds so allocated shall be allocated by the Commonwealth Transportation Board to the Virginia Aviation Board. The funds shall be allocated by the Virginia Aviation Board to any Virginia airport which is owned by the Commonwealth, a governmental subdivision thereof, or a private entity to which the public has access for the purposes enumerated in § 5.1-2.16, or is owned or leased by the Metropolitan Washington Airports Authority (MWAA), as follows:

Any new funds in excess of \$12.1 million which are available for allocation by the Virginia Aviation Board from the Commonwealth Transportation Fund, shall be allocated as follows: 60 percent to MWAA, up to a maximum annual amount of \$2 million, and 40 percent to air carrier airports as provided in subdivision A 3 a. Except for adjustments due to changes in enplaned passengers, no air carrier airport sponsor, excluding MWAA, shall receive less funds identified under subdivision A 3 a than it received in fiscal year 1994-1995.

Of the remaining amount:

a. Forty percent of the funds shall be allocated to air carrier airports, except airports owned or leased by MWAA, based upon the percentage of enplanements for each airport to total enplanements at all air carrier airports, except airports owned or leased by MWAA. No air carrier airport sponsor, however, shall receive less than \$50,000 nor more than \$2 million per year from this provision.

b. Forty percent of the funds shall be allocated by the Aviation Board for air carrier and reliever airports on a discretionary basis, except airports owned or leased by MWAA.

c. Twenty percent of the funds shall be allocated by the Aviation Board for general aviation airports on a discretionary basis.

4. 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 Commonwealth Mass Transit Fund.

a. The Commonwealth Mass Transit Fund shall be established on the books of the Comptroller and any funds remaining in such Fund at the end of the biennium shall not revert to the general fund but shall remain in the Fund. Interest earned on such funds shall be credited to the Fund. Funds may be paid to any local governing body, transportation district commission, or public service corporation for the purposes hereinafter specified.

b. The amounts allocated pursuant to this section shall be used to support the public transportation administrative costs and the costs borne by the locality for the purchase of fuels, lubricants, tires and maintenance parts and supplies for public transportation at a state share of 80 percent in 2002 and 95 percent in 2003 and succeeding years. These amounts may be used to support up to 95 percent of the local or nonfederal share of capital project costs for public transportation and ridesharing equipment, facilities, and associated costs. Capital costs may include debt service payments on local or agency transit bonds. The term "borne by the locality" means the local share eligible for state assistance consisting of costs in excess of the sum of fares and other operating revenues plus federal assistance received by the locality.

c. Commonwealth Mass Transit Fund revenue shall be allocated by the Commonwealth Transportation Board as follows:

(1) Funds for special programs, which shall include ridesharing, experimental transit, and technical assistance, shall not exceed 1.5 percent of the Fund.

(2) The Board may allocate these funds to any locality or planning district commission to finance up to 80 percent of the local share of all costs associated with the development, implementation, and continuation of ridesharing programs.

(3) Funds allocated for experimental transit projects may be paid to any local governing body, transportation district commission, or public corporation or may be used directly by the Department of Rail and Public Transportation for the following purposes:

(a) To finance up to 95 percent of the capital costs related to the development, implementation and

2391 promotion of experimental public transportation and ridesharing projects approved by the Board.
2392 (b) To finance up to 95 percent of the operating costs of experimental mass transportation and
2393 ridesharing projects approved by the Board for a period of time not to exceed 12 months.
2394 (c) To finance up to 95 percent of the cost of the development and implementation of any other
2395 project designated by the Board where the purpose of such project is to enhance the provision and use
2396 of public transportation services.
2397 d. Funds allocated for public transportation promotion and operation studies may be paid to any local
2398 governing body, planning district commission, transportation district commission, or public transit
2399 corporation, or may be used directly by the Department of Rail and Public Transportation for the
2400 following purposes and aid of public transportation services:
2401 (1) At the approval of the Board to finance a program administered by the Department of Rail and
2402 Public Transportation designed to promote the use of public transportation and ridesharing throughout
2403 Virginia.
2404 (2) To finance up to 50 percent of the local share of public transportation operations planning and
2405 technical study projects approved by the Board.
2406 e. At least 73.5 percent of the Fund shall be distributed to each transit property in the same
2407 proportion as its operating expenses bear to the total statewide operating expenses and shall be spent for
2408 the purposes specified in subdivision 4 b.
2409 f. The remaining 25 percent shall be distributed for capital purposes on the basis of 95 percent of the
2410 nonfederal share for federal projects and 95 percent of the total costs for nonfederal projects. In the
2411 event that total capital funds available under this subdivision are insufficient to fund the complete list of
2412 eligible projects, the funds shall be distributed to each transit property in the same proportion that such
2413 capital expenditure bears to the statewide total of capital projects.
2414 g. There is hereby created in the Department of the Treasury a special nonreverting fund known as
2415 the Commonwealth Transit Capital Fund. The Commonwealth Transit Capital Fund shall be part of the
2416 Commonwealth Mass Transit Fund. The Commonwealth Transit Capital Fund subaccount shall be
2417 established on the books of the Comptroller and consist of such moneys as are appropriated to it by the
2418 General Assembly and of all donations, gifts, bequests, grants, endowments, and other moneys given,
2419 bequeathed, granted, or otherwise made available to the Commonwealth Transit Capital Fund. Any funds
2420 remaining in the Commonwealth Transit Capital Fund at the end of the biennium shall not revert to the
2421 general fund, but shall remain in the Commonwealth Transit Capital Fund. Interest earned on funds
2422 within the Commonwealth Transit Capital Fund shall remain in and be credited to the Commonwealth
2423 Transit Capital Fund. Proceeds of the Commonwealth Transit Capital Fund may be paid to any political
2424 subdivision, another public entity created by an act of the General Assembly, or a private entity as
2425 defined in § 56-557 and for purposes as enumerated in subdivision 4c of § 33.1-269 or expended by the
2426 Department of Rail and Public Transportation for the purposes specified in this subdivision. Revenues of
2427 the Commonwealth Transit Capital Fund shall be used to support capital expenditures involving the
2428 establishment, improvement, or expansion of public transportation services through specific projects
2429 approved by the Commonwealth Transportation Board. Projects financed by the Commonwealth Transit
2430 Capital Fund shall receive local, regional or private funding for at least 20 percent of the nonfederal
2431 share of the total project cost.
2432 5. Funds for Metro shall be paid by the Northern Virginia Transportation Commission (NVTC) to the
2433 Washington Metropolitan Area Transit Authority (WMATA) and be a credit to the Counties of
2434 Arlington and Fairfax and the Cities of Alexandria, Falls Church and Fairfax in the following manner:
2435 a. Local obligations for debt service for WMATA rail transit bonds apportioned to each locality
2436 using WMATA's capital formula shall be paid first by NVTC. NVTC shall use 95 percent state aid for
2437 these payments.
2438 b. The remaining funds shall be apportioned to reflect WMATA's allocation formulas by using the
2439 related WMATA-allocated subsidies and relative shares of local transit subsidies. Capital costs shall
2440 include 20 percent of annual local bus capital expenses. Hold harmless protections and obligations for
2441 NVTC's jurisdictions agreed to by NVTC on November 5, 1998, shall remain in effect.
2442 Appropriations from the Commonwealth Mass Transit Fund are intended to provide a stable and
2443 reliable source of revenue as defined by Public Law 96-184.
2444 B. The sales and use tax revenue generated by a one percent sales and use tax shall be distributed
2445 among the counties and cities of this Commonwealth in the manner provided in subsections C and D.
2446 C. The localities' share of the net revenue distributable under this section among the counties and
2447 cities shall be apportioned by the Comptroller and distributed among them by warrants of the
2448 Comptroller drawn on the Treasurer of Virginia as soon as practicable after the close of each month
2449 during which the net revenue was received into the state treasury. The distribution of the localities' share
2450 of such net revenue shall be computed with respect to the net revenue received into the state treasury
2451 during each month, and such distribution shall be made as soon as practicable after the close of each
2452 such month.

D. The net revenue so distributable among the counties and cities shall be apportioned and distributed upon the basis as certified to the Comptroller by the Department of Education, of the number of children in each county and city according to the most recent statewide census of school population taken by the Department of Education pursuant to § 22.1-284, as adjusted in the manner hereinafter provided. No special school population census, other than a statewide census, shall be used as the basis of apportionment and distribution except that in any calendar year in which a statewide census is not reported, the Department of Education shall adjust such school population figures by the same percent of annual change in total population estimated for each locality by The Center for Public Service. The revenue so apportionable and distributable is hereby appropriated to the several counties and cities for maintenance, operation, capital outlays, debt and interest payments, or other expenses incurred in the operation of the public schools, which shall be considered as funds raised from local resources. In any county, however, wherein is situated any incorporated town constituting a school division, the county treasurer shall pay into the town treasury for maintenance, operation, capital outlays, debt and interest payments, or other expenses incurred in the operation of the public schools, the proper proportionate amount received by him in the ratio that the school population of such town bears to the school population of the entire county. If the school population of any city or of any town constituting a school division is increased by the annexation of territory since the last preceding school population census, such increase shall, for the purposes of this section, be added to the school population of such city or town as shown by the last such census and a proper reduction made in the school population of the county or counties from which the annexed territory was acquired.

E. Beginning July 1, 2000, of the remaining sales and use tax revenue, the revenue generated by a two percent sales and use tax, up to an annual amount of \$13 million, collected from the sales of hunting equipment, auxiliary hunting equipment, fishing equipment, auxiliary fishing equipment, wildlife-watching equipment, and auxiliary wildlife-watching equipment in Virginia, as estimated by the most recent U.S. Department of the Interior, Fish and Wildlife Service and U.S. Department of Commerce, Bureau of the Census National Survey of Fishing, Hunting, and Wildlife-Associated Recreation, shall be paid into the Game Protection Fund established under § 29.1-101 and shall be used, in part, to defray the cost of law enforcement. Not later than 30 days after the close of each quarter, the Comptroller shall transfer to the Game Protection Fund the appropriate amount of collections to be dedicated to such Fund. At any time that the balance in the Capital Improvement Fund, established under § 29.1-101.1, is equal to or in excess of \$35 million, any portion of sales and use tax revenues that would have been transferred to the Game Protection Fund, established under § 29.1-101, in excess of the net operating expenses of the Board, after deduction of other amounts which accrue to the Board and are set aside for the Game Protection Fund, shall remain in the general fund until such time as the balance in the Capital Improvement Fund is less than \$35 million.

F. 1. Of the net revenue generated from the one-half percent increase in the rate of the state sales and use tax effective August 1, 2004, pursuant to enactments of the 2004 Special Session I of the General Assembly, the Comptroller shall transfer from the general fund of the state treasury to the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund established under § 58.1-638.1 an amount equivalent to one-half of the net revenue generated from such one-half percent increase as provided in this subdivision. The transfers to the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund under this subdivision shall be for one-half of the net revenue generated (and collected in the succeeding month) from such one-half percent increase for the month of August 2004 and for each month thereafter.

2. For the purposes of the Comptroller making the required transfers under subdivision 1, the Tax Commissioner shall make a written certification to the Comptroller no later than the twenty-fifth of each month certifying the sales and use tax revenues generated in the preceding month. Within three calendar days of receiving such certification, the Comptroller shall make the required transfers to the Public Education Standards of Quality/Local Real Estate Property Tax Relief Fund.

G. Of the net revenue generated from the 5% sales and use taxes under §§ 58.1-605.1 and 58.1-606.1 on (i) charges for separately stated labor or services in 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, the Comptroller shall deposit all such net revenues collected in the Hampton Roads Transportation Authority Revenues Fund established under § 33.1-391.18. For the purposes of the Comptroller making such required deposits, the Tax Commissioner shall make a written certification to the Comptroller no later than the 25th of each month certifying the sales and use tax revenues generated in the preceding month from the taxes imposed under §§ 58.1-605.1 and 58.1-606.1. Within three calendar days of receiving such certification, the Comptroller shall make the required deposits to the Hampton Roads Transportation Authority Revenues Fund.

GH. If errors are made in any distribution, or adjustments are otherwise necessary, the errors shall be corrected and adjustments made in the distribution for the next quarter or for subsequent quarters.

2514 *HI. The term "net revenue," as used in this section, means the gross revenue received into the*
2515 *general fund or the Transportation Trust Fund of the state treasury under the preceding sections of this*
2516 *chapter, less refunds to taxpayers.*

2517 *§ 58.1-639.1. Exemptions for local sales and use tax.*

2518 *Any exemption set forth in this chapter for a state or local sales or use tax shall also apply to the*
2519 *taxes imposed by subsection K of § 58.1-605, § 58.1-605.1, subsection H of § 58.1-606, and*
2520 *§ 58.1-606.1.*

2521 *§ 58.1-802.1. Northern Virginia congestion relief fee.*

2522 *A. Beginning January 1, 2008, in addition to any other tax imposed under the provisions of this*
2523 *chapter, the governing body of each of the counties and cities that are included in the Northern Virginia*
2524 *Transportation Authority established pursuant to § 15.2-4830 may impose a fee, delineated as the*
2525 *"Northern Virginia congestion relief fee," on each deed, instrument, or writing by which lands,*
2526 *tenements, or other realty is sold and is granted, assigned, transferred, or otherwise conveyed to or*
2527 *vested in the purchaser or any other person, by such purchaser's direction. The rate of the tax, when the*
2528 *consideration or value of the interest equals or exceeds \$100, shall be \$0.40 for each \$100 or fraction*
2529 *thereof, exclusive of the value of any lien or encumbrance remaining thereon at the time of the sale,*
2530 *whether such lien is assumed or the realty is sold subject to such lien or encumbrance.*

2531 *The fee imposed by this section shall be paid by the grantor, or any person who signs on behalf of*
2532 *the grantor, of any deed, instrument, or writing subject to the fee imposed by this section.*

2533 *No such deed, instrument, or other writing shall be admitted to record without certification of the*
2534 *clerk of the court wherein first recorded having been affixed thereto that the fee imposed by this section*
2535 *has been paid. The clerk shall include within the certificate the amount of such fee collected thereon.*

2536 *B. All revenues generated by the fee imposed pursuant to this section shall be appropriated to the*
2537 *Northern Virginia Transportation Authority and used according to the provisions of § 15.2-4838.1.*

2538 *C. Fees imposed by this section shall be collected as provided in § 58.1-812.*

2539 *D. No locality imposing the fee pursuant to this section shall cease to impose such fee so long as the*
2540 *Northern Virginia Transportation Authority (i) is currently engaged in a transportation project within*
2541 *the boundaries of the locality, (ii) has entered into a binding commitment to begin a transportation*
2542 *project within the boundaries of the locality, or (iii) has issued bonds or incurred other evidence of debt*
2543 *that has not been satisfied or paid in full and that relates to a transportation project undertaken by the*
2544 *Authority within the boundaries of the locality.*

2545 *§ 58.1-802.2. Additional fee authorized in certain localities.*

2546 *A. 1. Beginning January 1, 2008, in addition to any other tax imposed under the provisions of this*
2547 *chapter, the governing body of each of the Counties of Isle of Wight, James City, and York and the*
2548 *Cities of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Suffolk, Virginia Beach, and*
2549 *Williamsburg may impose a fee, on each deed, instrument, or writing by which lands, tenements, or*
2550 *other realty (located in the county or city) is sold and is granted, assigned, transferred, or otherwise*
2551 *conveyed to, or vested in the purchaser, or any other person, by such purchaser's direction, provided*
2552 *that the governing body authorizes the clerk of the court to transfer the revenues collected to the*
2553 *Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for the purposes set*
2554 *forth in § 33.1-391.16. The rate of the fee, when the consideration or value of the interest equals or*
2555 *exceeds \$100, shall be \$0.30 for each \$100 or fraction thereof, exclusive of the value of any lien or*
2556 *encumbrance remaining thereon at the time of the sale, whether such lien is assumed or the realty is*
2557 *sold subject to such lien or encumbrance.*

2558 *2. At such time as the Chesapeake Bay Bridge-Tunnel becomes subject to the control of the Hampton*
2559 *Roads Transportation Authority as provided in § 33.1-391.12, the governing body of each of the*
2560 *Counties of Accomack and Northampton may by ordinance impose the fee described in subdivision A 1*
2561 *for lands, tenements, or other realty located in the respective county, provided that the governing body*
2562 *authorizes the clerk of the court to transfer the revenues collected to the Hampton Roads Transportation*
2563 *Authority established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.16.*

2564 *3. The fee imposed pursuant to this subsection shall be paid by the grantor, or any person who signs*
2565 *on behalf of the grantor, of any deed, instrument, or writing subject to the fee imposed pursuant to this*
2566 *subsection.*

2567 *No such deed, instrument, or other writing shall be admitted to record without certification of the*
2568 *clerk of the court wherein first recorded having been affixed thereto that the fee imposed pursuant to*
2569 *this subsection has been paid. The clerk shall include within the certificate the amount of such fee*
2570 *collected thereon.*

2571 *4. Any and all fees imposed pursuant to this subsection shall be collected by the clerk of the court*
2572 *who shall return all such revenues from the fee to the Hampton Roads Transportation Authority as soon*
2573 *as practicable.*

2574 *B. 1. For each county or city that is authorized to impose the grantor's fee under subdivision A 1,*
2575 *but that is not imposing such fee as of April 1, 2008, or at any time subsequent to such date, then, at*

such time or times the county or city is not imposing the grantor's fee, there is hereby levied and imposed in the county or city a fee, on each deed, instrument, or writing by which lands, tenements, or other realty (located in the county or city) is sold and is granted, assigned, transferred, or otherwise conveyed to, or vested in the purchaser, or any other person, by such purchaser's direction. The fee shall be imposed at the same rate that the fee under subdivision A 1 is imposed.

2. If the governing body of the County of Accomack or the County of Northampton is not imposing the grantor's fee under subdivision A 2 as of the first day of the sixth month following the date the county was first authorized to impose such fee, or is not imposing such grantor's fee at any time subsequent to the first day of the sixth month following such initial authorization, then, at such time or times the respective county is not imposing the grantor's fee, there is hereby levied and imposed in the respective county a fee, on each deed, instrument, or writing by which lands, tenements, or other realty (located in the respective county) is sold and is granted, assigned, transferred, or otherwise conveyed to, or vested in the purchaser, or any other person, by such purchaser's direction. The fee shall be imposed at the same rate that the fee under subdivision A 1 is imposed.

3. The grantor's fee imposed under this subsection shall be collected by the clerk of the court who shall return all such revenues from the fee into the state treasury.

Except as provided in this subsection, the fee shall otherwise be imposed, administered, and collected under the same terms and conditions as set forth for the fee in subsection A. All revenues collected shall be deposited by the Comptroller in the Hampton Roads Transportation Authority Revenues Fund established under § 33.1-391.18.

4. The fee pursuant to subsection A shall not be imposed in any county or city for which the fee under this subsection is being imposed.

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

§ 58.1-2217. Taxes levied; rate.

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

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

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

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

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

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

§ 58.1-2249. Tax on alternative fuel.

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

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

§ 58.1-2289. Disposition of tax revenue generally.

A. ~~Unless~~ Except as otherwise provided subsection F and elsewhere in this section, all taxes and fees,

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

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

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

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

C. One-half cent of the tax collected on each gallon of fuel on which ~~the~~ a refund has been paid at the rate of seventeen cents per gallon, or in the case of diesel fuel, fifteen and one-half cents per gallon for gasoline, gasohol, diesel fuel, blended fuel, and alternative fuel, for fuel consumed in tractors and unlicensed equipment used for agricultural purposes shall be paid into a special fund of the state treasury, known as the Virginia Agricultural Foundation Fund, to be disbursed to make certain refunds and defray the costs of the research and educational phases of the agricultural program, including supplemental salary payments to certain employees at Virginia Polytechnic Institute and State University, the Department of Agriculture and Consumer Services and the Virginia Truck and Ornamentals Research Station, including reasonable expenses of the Virginia Agricultural Council.

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

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

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

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

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

§ 58.1-2402.1. Local rental car transportation fee.

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

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

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

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

E. The fee imposed pursuant to the authority granted under this section shall be implemented, enforced, and collected in the same manner that rental taxes under this chapter are implemented, 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, 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, Portsmouth, Suffolk, Virginia Beach, and Williamsburg may, by ordinance, impose a fee of 2% of the gross proceeds on the rental in the locality of any daily rental vehicle regardless of whether such vehicle is required to be licensed in the Commonwealth, provided that the governing body authorizes the Commissioner to transfer the revenues collected 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 additional fee of 2% of the gross proceeds on the rental in the locality of any daily rental vehicle, provided that the governing body authorizes the Commissioner to transfer the revenues collected 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.

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

4. Any and all fees imposed pursuant to this subsection 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.

B. 1. For each county or city that is authorized under subdivision A 1 to impose the additional fee of 2% of the gross proceeds on the rental in the locality of any daily rental vehicle, but that is not imposing such fee as of April 1, 2008, or at any time subsequent to such date, then, at such time or times the county or city is not imposing the additional fee, there is hereby levied and imposed in the county or city a fee of 2% of the gross proceeds on the rental in the locality of any daily rental vehicle regardless of whether such vehicle is required to be licensed in the Commonwealth.

2760 2. If the governing body of the County of Accomack or the County of Northampton is not imposing
2761 the additional fee under subdivision A 2 of 2% of the gross proceeds on the rental in the county of any
2762 daily rental vehicle as of the first day of the sixth month following the date the county was first
2763 authorized to impose such fee, or is not imposing such additional fee at any time subsequent to the first
2764 day of the sixth month following such initial authorization, then, at such time or times the respective
2765 county is not imposing the additional fee, there is hereby levied and imposed in the respective county an
2766 additional fee of 2% of the gross proceeds on the rental in the county of any daily rental vehicle
2767 regardless of whether such vehicle is required to be licensed in the Commonwealth.

2768 3. The fee imposed pursuant to the authority granted under this subsection shall be implemented,
2769 enforced, and collected in the same manner that rental taxes under this chapter are implemented,
2770 enforced, and collected.

2771 Except as provided in this subsection, the fee shall otherwise be imposed, implemented, enforced, and
2772 collected under the same terms and conditions as set forth for the fee in subsection A. All revenues
2773 collected shall be deposited by the Comptroller in the Hampton Roads Transportation Authority
2774 Revenues Fund established under § 33.1-391.18.

2775 4. The fee pursuant to subsection A shall not be imposed in any county or city for which the fee
2776 under this subsection is being imposed.

2777 § 58.1-2403. Exemptions.

2778 No tax shall be imposed as provided in § 58.1-2402, 58.1-2402.1, or 58.1-2402.2 if the vehicle is:

- 2779 1. Sold to, rented or used by the United States government or any governmental agency thereof;
2780 2. Sold to, rented or used by the Commonwealth of Virginia or any political subdivision thereof;
2781 3. Registered in the name of a volunteer fire department or rescue squad not operated for profit;
2782 4. Registered to any member of the Mattaponi, Pamunkey, or Chickahominy Indian tribes or any
2783 other recognized Indian tribe of the Commonwealth living on the tribal reservation;
2784 5. Transferred incidental to repossession under a recorded lien and ownership is transferred to the
2785 lienholder;

2786 6. A manufactured home permanently attached to real estate and included in the sale of real estate;

2787 7. A gift to the spouse, son, or daughter of the transferor. With the exception of a gift to a spouse,
2788 this exemption shall not apply to any unpaid obligation assumed by the transferee incidental to the
2789 transfer;

2790 8. Transferred from an individual or partnership to a corporation or limited liability company or from
2791 a corporation or limited liability company to an individual or partnership if the transfer is incidental to
2792 the formation, organization or dissolution of a corporation or limited liability company in which the
2793 individual or partnership holds the majority interest;

2794 9. Transferred from a wholly owned subsidiary to the parent corporation or from the parent
2795 corporation to a wholly owned subsidiary;

2796 10. Being registered for the first time in this Commonwealth and the applicant holds a valid,
2797 assignable title or registration issued to him by another state or a branch of the United States Armed
2798 Forces and (i) has owned the vehicle for longer than 12 months or (ii) has owned the vehicle for less
2799 than 12 months and provides evidence of a sales tax paid to another state. However, when a vehicle has
2800 been purchased by the applicant within the last 12 months and the applicant is unable to provide
2801 evidence of a sales tax paid to another state, the applicant shall pay the Virginia sales tax based on the
2802 fair market value of the vehicle at the time of registration in Virginia;

2803 11. Titled in a Virginia or non-Virginia motor vehicle dealer's name for resale;

2804 12. A motor vehicle having seats for more than seven passengers and sold to an urban or suburban
2805 bus line the majority of whose passengers use the buses for traveling a distance of less than 40 miles,
2806 one way, on the same day;

2807 13. Purchased in the Commonwealth by a nonresident and a Virginia title is issued for the sole
2808 purpose of recording a lien against the vehicle if the vehicle will be registered in a state other than
2809 Virginia;

2810 14. A motor vehicle designed for the transportation of 10 or more passengers, purchased by and for
2811 the use of a church conducted not for profit;

2812 15. Loaned or leased to a private nonprofit institution of learning, for the sole purpose of use in the
2813 instruction of driver's education when such education is a part of such school's curriculum for full-time
2814 students;

2815 16. Sold to an insurance company or local government group self-insurance pool, created pursuant to
2816 § 15.2-2703, for the sole purpose of disposition when such company has paid the registered owner of
2817 such vehicle a total loss claim;

2818 17. Owned and used for personal or official purposes by accredited consular or diplomatic officers of
2819 foreign governments, their employees or agents, and members of their families, if such persons are
2820 nationals of the state by which they are appointed and are not citizens of the United States;

2821 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.

§ 58.1-2425. 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

2883 Virginia Public Building Authority for the Statewide Agencies Radio System (STARS) for the
2884 Department of State Police pursuant to the authority granted by the 2004 Session of the General
2885 Assembly.

2886 B. As provided in subsection A of § 58.1-638, of the funds becoming part of the Transportation
2887 Trust Fund pursuant to clause (iii) of subsection A of this section, an aggregate of 4.2 percent shall be
2888 set aside as the Commonwealth Port Fund; an aggregate of 2.4 percent shall be set aside as the
2889 Commonwealth Airport Fund; and an aggregate of 14.5 percent in fiscal year 1998-1999 and 14.7
2890 percent in fiscal year 1999-2000 and thereafter shall be set aside as the Commonwealth Mass Transit
2891 Fund.

2892 § 58.1-2531. *Distribution of certain revenue.*

2893 A. *Beginning with the Commonwealth's 2008-2009 fiscal year and for each fiscal year thereafter, an*
2894 *amount equal to one-third of all revenues collected by the Commission in the most recently ended fiscal*
2895 *year from the tax imposed under this chapter shall be deposited by the Comptroller first, as needed, to*
2896 *the Priority Transportation Fund established under § 33.1-23.03:8 to be used to offset the estimated*
2897 *current fiscal year debt service payment requirements of the Transportation Trust Fund established*
2898 *under § 33.1-23.03:1 attributable to Commonwealth of Virginia Federal Highway Reimbursement*
2899 *Anticipation Notes. Any remaining moneys shall be deposited into the Commonwealth Transportation*
2900 *Capital Projects Fund established under § 58.1-2532.*

2901 B. *For purposes of the Comptroller's deposits under this section, the Commissioner of the Bureau of*
2902 *Insurance shall, no later than July 15 of each year, provide a written certification to the Comptroller*
2903 *that reports one-third of all revenues collected by the Commission in the most recently ended fiscal year*
2904 *from the tax imposed under this chapter. After such one-third of all revenues have been deposited into*
2905 *the proper Funds as provided in subsection A, all remaining revenues from the tax imposed under this*
2906 *chapter shall be deposited into the general fund of the state treasury. The Comptroller shall make all*
2907 *deposits under this section as soon as practicable.*

2908 § 58.1-2532. *Commonwealth Transportation Capital Projects Bond Debt Service Fund created.*

2909 A. *There is hereby created in the state treasury a special nonreverting fund that shall be a part of*
2910 *the Transportation Trust Fund and that shall be known as the Commonwealth Transportation Capital*
2911 *Projects Bond Debt Service Fund, hereafter referred to as "the Fund." The Fund shall be established on*
2912 *the books of the Comptroller. The Fund shall consist of deposits pursuant to § 58.1-2531 and shall*
2913 *include such other funds as may be appropriated by the General Assembly from time to time and*
2914 *designated for the Fund and all interest, dividends, and appreciation that may accrue thereto. Interest*
2915 *earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in*
2916 *the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund*
2917 *but shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes stated in this*
2918 *section. The Fund shall be administered by the Commonwealth Transportation Board. Expenditures and*
2919 *disbursements from the Fund shall be made by the State Treasurer on warrants issued by the*
2920 *Comptroller upon written request signed by the chairman of the Board or his designee.*

2921 B. *The Commonwealth Transportation Board shall allocate and distribute all revenues of the Fund*
2922 *received in the fiscal year solely to pay any debt service for Commonwealth of Virginia Transportation*
2923 *Capital Projects Revenue Bonds as described in subdivision 4 f of § 33.1-269.*

2924 § 58.1-2701. *Amount of tax.*

2925 A. *Except as provided in subsection B, every motor carrier shall pay a road tax equivalent to*
2926 *~~nineteen and one-half~~ twenty-one cents per gallon calculated on the amount of motor fuel, diesel fuel or*
2927 *liquefied gases (which would not exist as liquids at a temperature of sixty degrees Fahrenheit and a*
2928 *pressure of 14.7 pounds per square inch absolute), used in its operations within the Commonwealth.*

2929 *The tax imposed by this chapter shall be in addition to all other taxes of whatever character imposed*
2930 *on a motor carrier by any other provision of law.*

2931 B. *In lieu of the tax imposed in subsection A, motor carriers registering qualified highway vehicles*
2932 *that are not registered under the International Registration Plan shall pay a fee of \$100 \$150 per year*
2933 *for each qualified highway vehicle. The fee is due and payable when the vehicle registration fees are*
2934 *paid pursuant to the provisions of Article 7 (§ 46.2-685 et seq.) of Chapter 6 of Title 46.2.*

2935 *If a vehicle becomes a qualified highway vehicle before the end of its registration period, the fee due*
2936 *at the time the vehicle becomes a qualified highway vehicle shall be prorated monthly to the registration*
2937 *expiration month. Fees paid under this subsection shall not be refunded unless a full refund of the*
2938 *registration fee paid is authorized by law.*

2939 C. *All taxes and fees paid under the provisions of this chapter shall be credited to the Highway*
2940 *Maintenance and Operating Fund, a special fund within the Commonwealth Transportation Fund.*

2941 § 58.1-2706. *Credit for payment of motor fuel, diesel fuel or liquefied gases tax.*

2942 A. *Every motor carrier subject to the road tax shall be entitled to a credit on such tax equivalent to*
2943 *~~sixteen~~ seventeen and one-half cents per gallon on all motor fuel, diesel fuel and liquefied gases*
2944 *purchased by such carrier within the Commonwealth for use in its operations either within or without*

the Commonwealth and upon which the motor fuel, diesel fuel or liquefied gases tax imposed by the laws of the Commonwealth has been paid by such carrier. Evidence of the payment of such tax in such form as may be required by, or is satisfactory to, the Department shall be furnished by each carrier claiming the credit herein allowed.

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

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

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

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

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

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

A. Beginning January 1, 2008, solely for the purposes of imposing the tax authorized pursuant to this section, in the counties and cities that are included in the Northern Virginia Transportation Authority established pursuant to § 15.2-4830, real estate used for commercial or industrial purposes is hereby declared to be a separate class of property. Real estate used for commercial or industrial purposes does not include real estate for which no permit for use has been issued for occupancy of any premises for commercial use. For purposes of this section, real property that is zoned to permit multiunit residential use that is primarily leased or rented to residential tenants of other occupants by an owner who is engaged in such a business shall be deemed to be property in commercial use. In addition to all other taxes and fees permitted by law, the governing body of any such locality may, by ordinance, declare the entire locality a special regional transportation tax district and impose a transportation impact commercial real property tax at the rate of 0.27% of the fair market value of such property.

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

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

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

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

A. Solely for the purposes of imposing the tax authorized pursuant to this section, in the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, Suffolk, Virginia Beach, and Williamsburg, commercial real estate is hereby declared to be a separate class of property solely for the purpose of funding regional transportation improvements pursuant to Chapter 10.2 (§ 33.1-391.6 et seq.) of Title 33.1. As used in this section "commercial real estate" means any real estate other than (i) real estate containing one to four residential units, (ii) real estate on which no buildings are located, or (iii) real estate classified for assessment purposes under the provisions of Article 4 (§ 58.1-3230 et seq.) of Chapter 32 of Title 58.1. Commercial real estate shall not include single family residential units, including condominiums, townhouses, apartments or homes in a subdivision when leased on a unit by unit basis even though these units may be part of a larger building or parcel of real estate containing more than four residential units.

In addition to all other taxes and fees permitted by law, the governing body of any such locality may, by ordinance, declare the entire locality a special regional transportation tax district and impose a

3006 transportation impact commercial real property tax at the rate of 0.2% of the fair market value of such
3007 commercial real estate, provided that the governing body of the locality appropriates the revenues
3008 collected from such tax to the Hampton Roads Transportation Authority established under § 33.1-391.7
3009 to be used by the Authority for the purpose of funding regional transportation improvements pursuant to
3010 Chapter 10.2 (§ 33.1-391.6 et seq.) of Title 33.1. If the local governing body adopts such ordinance, the
3011 ordinance shall provide for the tax to be imposed annually.

3012 B. Solely for the purpose of imposing the tax authorized under this section, at such time as the
3013 Chesapeake Bay Bridge-Tunnel becomes subject to the control of the Hampton Roads Transportation
3014 Authority as provided in § 33.1-391.12, (i) commercial real estate, as defined in this section, in the
3015 Counties of Accomack and Northampton shall be a separate class of property, and (ii) the governing
3016 body of each of the Counties and Accomack and Northampton may declare the entire, respective county
3017 a special regional transportation tax district with commercial real estate located in the respective county
3018 subject to the annual 0.3% transportation impact commercial real property tax imposed on fair market
3019 value. As a condition of imposing such tax, the respective county shall appropriate the revenues
3020 collected from such tax to the Hampton Roads Transportation Authority established under § 33.1-391.7
3021 to be used by the Authority for the purpose of funding regional transportation improvements pursuant to
3022 Chapter 10.2 (§ 33.1-391.6 et seq.) of Title 33.1.

3023 C. The tax imposed pursuant to the authority granted under this section shall be administered,
3024 enforced, and collected in the same manner as set forth in Subtitle III of Title 58.1 for the
3025 administration, enforcement, and collection of local taxes.

3026 § 58.1-3825.1. Additional transient occupancy tax in certain counties and cities in Northern Virginia.

3027 In addition to such transient occupancy taxes as are authorized by this chapter, the Counties of
3028 Arlington, Fairfax, Loudoun, and Prince William and the Cities of Alexandria, Fairfax, Falls Church,
3029 Manassas, and Manassas Park may impose an additional transient occupancy tax at the rate of 2
3030 percent of the amount of charge for the occupancy of any room or space occupied, provided that the
3031 governing body of the city or county appropriates the revenues collected to the Northern Virginia
3032 Transportation Authority. Such revenues shall be used according to the provisions of § 15.2-4838.1.

3033 No locality imposing the tax pursuant to this section shall cease to impose such tax so long as the
3034 Northern Virginia Transportation Authority (i) is currently engaged in a transportation project within
3035 the boundaries of the locality, or that benefits the locality, (ii) has entered into a binding commitment to
3036 begin a transportation project within the boundaries of the locality, or that benefits the locality, (iii) has
3037 issued bonds or incurred other evidence of debt that has not been satisfied or paid in full and that
3038 relates to a transportation project undertaken by the Authority within the boundaries of the locality, or
3039 that benefits the locality.

3040 **2. That the Commonwealth Transportation Board is authorized to issue bonds to fund**
3041 **transportation projects throughout the Commonwealth as follows:**

3042 § 1. Title. This act shall be known and may be cited as the "Commonwealth Transportation Capital
3043 Projects Bond Act of 2007."

3044 § 2. The Commonwealth Transportation Board is hereby authorized, by and with the consent of the
3045 Governor, to issue, pursuant to the provisions of the State Revenue Bond Act (§ 33.1-267 et seq. of the
3046 Code of Virginia) as amended from time to time, revenue obligations of the Commonwealth to be
3047 designated "Commonwealth Transportation Capital Projects Notes, Series .." at one or more times in an
3048 aggregate principal amount not to exceed \$2,000,000,000, after all costs; provided that the aggregate
3049 principal amount issued in any one fiscal year shall not exceed \$300,000,000, excluding any refunding
3050 bonds. If the aggregate principal amount issued in any fiscal year is less than \$300,000,000, then the
3051 amount by which such issuance is less than \$300,000,000 may be issued in a subsequent fiscal year in
3052 addition to the \$300,000,000 authorized in the subsequent fiscal year.

3053 § 3. The net proceeds of the Notes shall be used exclusively for the purpose of providing funds for
3054 paying the costs incurred or to be incurred for construction or funding of transportation projects
3055 pursuant to § 33.1-23.4:01 of the Code of Virginia, including but not limited to environmental and
3056 engineering studies, rights-of-way acquisition, improvements to all modes of transportation, acquisition,
3057 construction and related improvements, and any financing costs and other financing expenses. Such
3058 costs may include the payment of interest on the Notes for a period during construction and not
3059 exceeding one year after completion of construction of the projects.

3060 § 4. The proceeds of the Notes, including any premium received on the sale thereof, shall be made
3061 available by the Commonwealth Transportation Board to pay costs of the projects and, where
3062 appropriate, may be paid to any authority, locality, commission, or other entity for the purposes of
3063 paying for costs of the projects. The proceeds of the Notes may be used together with any federal, local,
3064 or private funds that may be made available for such purpose. The proceeds of the Notes, together with
3065 any investment earnings thereon, may, at the discretion of the Commonwealth Transportation Board,
3066 secure the payment of principal or purchase price of and redemption premium, if any, and interest on
3067 the Notes.

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

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

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

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

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

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

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

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

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

3129 § 11. *The Commonwealth Transportation Board, in connection with the issuance of the Notes, shall*
3130 *establish a fund in accordance with § 33.1-286 of the Code of Virginia, as amended, either in the state*
3131 *treasury or with a trustee in accordance with § 33.1-283 of the Code of Virginia, as amended, which*
3132 *shall secure and be used for the payment of the Notes to the credit of which there shall be deposited*
3133 *such amounts, appropriated therefor by the General Assembly, as are required to pay principal or*
3134 *purchase price of, and redemption premium, if any, and interest on the Notes, as and when due and*
3135 *payable, (i) first from revenues in the Commonwealth Transportation Capital Projects Fund pursuant to*
3136 *§ 58.1-2532 of the Code of Virginia; (ii) then, at the discretion of the Commonwealth Transportation*
3137 *Board, to the extent required, from legally available revenues of the Transportation Trust Fund; and*
3138 *(iii) then from such other funds, if any, that may be designated by the General Assembly for such*
3139 *purpose.*

3140 § 12. *Note proceeds and moneys in any reserve funds and sinking funds in respect of the Notes shall*
3141 *be invested by the State Treasurer in accordance with the provisions of general law relating to the*
3142 *investment of such funds belonging to or in the control of the Commonwealth, or by a trustee in*
3143 *accordance with § 33.1-283 of the Code of Virginia, as amended.*

3144 § 13. *The interest income from and any profit made on the sale of the obligations issued under the*
3145 *provisions of this Act shall at all times be free and exempt from taxation by the Commonwealth and by*
3146 *any municipality, county, or other political subdivision thereof.*

3147 § 14. *All obligations issued under the provisions of this Act are hereby made securities in which all*
3148 *persons and entities listed in § 33.1-280 of the Code of Virginia, as amended, may properly and legally*
3149 *invest funds under their control.*

3150 **3. That the revenues generated by the provisions of this act shall not be used to calculate or**
3151 **reduce the share of local, federal, and state revenues otherwise available to participating**
3152 **jurisdictions. Further, such revenues and moneys shall not be included in any computation of, or**
3153 **formula for, a locality's ability to pay for public education, upon which appropriations of state**
3154 **revenues to local governments for public education are determined.**

3155 **4. That prior to December 1 each year beginning 2008, the Washington Metropolitan Transit**
3156 **Authority shall submit to the Auditor of Public Accounts its annual audit report and financially**
3157 **audited statements for the most recent fiscal year.**

3158 **5. That each governing body of a county or city adopting by ordinance any of the fees authorized**
3159 **under subsection B of § 46.2-332, or §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14,**
3160 **58.1-802.1, 58.1-802.2, 58.1-2402.1, 58.1-2402.2, 58.1-3221.3, 58.1-3221.2, or 58.1-3825.1 of the Code**
3161 **of Virginia shall provide a copy of the ordinance to the Clerk of the House of Delegates and the**
3162 **Clerk of the Senate as soon as practicable.**

3163 **6. That each county or city that imposes any of the fees or taxes authorized pursuant to subsection**
3164 **B of § 46.2-332, or §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.1,**
3165 **58.1-802.2, 58.1-2402.1, 58.1-2402.2, 58.1-3221.3, 58.1-3221.2, or 58.1-3825.1 of the Code of Virginia**
3166 **pursuant to the provisions of this act shall for each fiscal year in which it imposes such fee or tax**
3167 **expend or disburse for transportation purposes an amount (computed without regard to any**
3168 **revenues generated in the fiscal year from such taxes) that is at least equal to the total amount**
3169 **expended or disbursed for transportation purposes by the county or city in its fiscal year that**
3170 **began in calendar year 2006.**

3171 **7. That, if the Hampton Roads Transportation Authority becomes effective January 1, 2008,**
3172 **pursuant to the ninth enactment of this act, the Authority shall also develop as part of a**
3173 **long-range transportation plan performance measures for Hampton Roads relating to, but not**
3174 **limited to, transportation congestion reduction, transit and high-occupancy vehicle (HOV) usage,**
3175 **job/housing ratios, job and housing access to transit and pedestrian facilities, air quality, and**
3176 **per-capita vehicle miles traveled.**

3177 **8. That §§ 33.1-391.6 through 33.1-391.18, and the fees and taxes set forth under § 46.2-332.1,**
3178 **§ 46.2-755.1, § 46.2-755.2, § 46.2-1167.1, subsection K of § 58.1-605, § 58.1-605.1, subsection H of**
3179 **§ 58.1-606, § 58.1-606.1, § 58.1-802.2, § 58.1-2402.2, and § 58.1-3221.3 of the Code of Virginia are**
3180 **conditional upon the following: (i) at least six of the governing bodies of each of the counties and**
3181 **cities set forth in subdivision A 1 of § 46.2-332.1 each pass a duly adopted ordinance on or before**
3182 **September 1, 2007, that indicates the local governing body is joining the Hampton Roads**
3183 **Transportation Authority (§ 33.1-391.6 et seq. of the Code of Virginia) and that designates the**
3184 **member of the local governing body who shall serve on the Authority upon its creation; (ii) each**
3185 **such ordinance also adopts and imposes, effective January 1, 2008, all of the taxes and fees set**
3186 **forth under subdivision A 1 of § 46.2-332.1, subdivision A 1 of § 46.2-755.1, subdivision A 1 of**
3187 **§ 46.2-755.2, subdivision A 1 of § 46.2-1167.1, subdivision K 1 of § 58.1-605, subdivision H 1 of**
3188 **§ 58.1-606, subdivision A 1 of § 58.1-802.1, and subdivision A 1 of § 58.1-2402.1; and (iii) each such**
3189 **ordinance also adopts and imposes, effective January 1, 2009, the tax set forth under subsection A**
3190 **of § 58.1-3221.3.**

Each county and city passing such ordinance by September 1, 2007, 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.

9. That the Commissioner of the Department of Taxation shall develop guidelines for purposes of implementation of the taxes under subsection K of § 58.1-605, § 58.1-605.1, subsection H of § 58.1-606, and § 58.1-606.1 of the Code of Virginia. The guidelines shall be made publicly available no later than October 1, 2007.

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

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

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

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

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

15. That nothing in this act shall be construed to prohibit any county or city that imposes any of the fees or taxes authorized pursuant to subsection B of § 46.2-332, or §§ 46.2-332.1, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-609.14, 58.1-802.1, 58.1-802.2, 58.1-2402.1, 58.1-2402.2, 58.1-3221.3, 58.1-3221.2, or 58.1-3825.1 pursuant to the provisions of this act, from reducing or repealing any other fees or taxes.

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

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

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

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

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

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