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SENATE BILL NO. 724

Offered January 17, 2008

A *BILL to amend and reenact §§ 15.2-4831, 15.2-4838.1, 15.2-4840, 33.1-391.10, 33.1-391.15, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-540, 58.1-605, 58.1-606, 58.1-625.1, 58.1-802.1, 58.1-1724.3, 58.1-1724.7, 58.1-2402.1, and 58.1-3825.1 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 33.1-391.14:01, relating to eliminating the authority for the Hampton Roads and Northern Virginia Transportation Authorities to impose certain taxes and fees and authorizing the counties and cities embraced by the Authorities to impose such taxes and fees.*

Patron—Cuccinelli

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That §§ 15.2-4831, 15.2-4838.1, 15.2-4840, 33.1-391.10, 33.1-391.15, 46.2-755.1, 46.2-755.2, 46.2-1167.1, 58.1-540, 58.1-605, 58.1-606, 58.1-625.1, 58.1-802.1, 58.1-1724.3, 58.1-1724.7, 58.1-2402.1, and 58.1-3825.1 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered 33.1-391.14:01 as follows:

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

The Authority shall embrace the Counties of Arlington, Fairfax, Loudoun, and Prince William, and the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park; *provided, however, that any time any such county or city is not imposing all of the taxes and fees authorized pursuant to §§ 46.2-755.1, 46.2-755.2, and 46.2-1167.1, subsection K of § 58.1-605, subsection H of § 58.1-606, and § 58.1-802.1, 58.1-2402.1, and 58.1-3825.1, then during such period of time, such county or city shall not be entitled to determine transportation projects and services to be funded with the revenue generated by such taxes and fees and shall not receive any allocation of such revenue.*

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

A. All moneys received by the Authority and the proceeds of bonds issued pursuant to § 15.2-4839 shall be used by the Authority solely for transportation purposes benefiting those counties and cities that are ~~embraced by the Authority imposing all of the fees and taxes pursuant to §§ 46.2-755.1, 46.2-755.2, and 46.2-1167.1, subsection K of § 58.1-605, subsection H of § 58.1-606, and §§ 58.1-802.1, 58.1-2402.1, and 58.1-3825.1.~~

B. Forty percent of the revenues shall be distributed to the localities imposing all of the fees and taxes pursuant to §§ 46.2-755.1, 46.2-755.2, and 46.2-1167.1, subsection K of § 58.1-605, subsection H of § 58.1-606, and §§ 58.1-802.1, 58.1-2402.1, and 58.1-3825.1 on a pro rata basis, with each locality's share being the total of such fees and taxes assessed or imposed by the Authority and received by the Authority that are generated or attributable to the locality divided by the total of such fees and taxes assessed or imposed by the Authority and received by the Authority. Of the revenues distributed pursuant to this subsection (i) in the Cities of Falls Church and Alexandria and the County of Arlington the first 50% shall be used solely for urban or secondary road construction and improvements and for public transportation purposes in consultation with members of the General Assembly representing any locality that receives such revenue, and (ii) in the remaining localities, the first 50% shall be used solely for urban or secondary road construction and improvements in consultation with members of the General Assembly representing any locality that receives such revenue. The remainder, as determined solely by the applicable locality, shall be used either for additional urban or secondary road construction; for other transportation capital improvements which have been approved by the most recent long range transportation plan adopted by the Authority; or for public transportation purposes. Solely for purposes of calculating the 40% of revenues to be distributed pursuant to this subsection, the revenue generated pursuant to § 58.1-3221.3 and Article 8 (§ 15.2-2317 et seq.) of Chapter 22 of this title by the counties and cities embraced by the Authority shall be considered revenue of the Authority. None of the revenue distributed by this subsection may be used to repay debt issued before July 1, 2007. Each locality shall provide annually to the Northern Virginia Transportation Authority sufficient documentation as required by the Authority showing that the funds distributed under this subsection were used as required by this subsection.

C. The remaining 60% of the revenues from such sources shall be used by the Authority solely for transportation projects and purposes that benefit the counties and cities embraced by the Authority for the localities that are imposing all of the fees and taxes pursuant to §§ 46.2-755.1, 46.2-755.2, and 46.2-1167.1, subsection K of § 58.1-605, subsection H of § 58.1-606, and §§ 58.1-802.1, 58.1-2402.1,

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59 and 58.1-3825.1, as determined by the Authority in consultation with members of the governing bodies
60 of the localities that are imposing such fees and taxes pursuant to §§ 46.2-755.1, 46.2-755.2, and
61 46.2-1167.1, subsection K of § 58.1-605, subsection H of § 58.1-606, and §§ 58.1-802.1, 58.1-2402.1,
62 and 58.1-3825.1, and members of the General Assembly representing any locality imposing all of the
63 fees and taxes pursuant to §§ 46.2-755.1, 46.2-755.2, and 46.2-1167.1, subsection K of § 58.1-605,
64 subsection H of § 58.1-606, and §§ 58.1-802.1, 58.1-2402.1, and 58.1-3825.1, or as may be required by
65 any other law, solely for transportation projects for the localities that are imposing all of the fees and
66 taxes pursuant to §§ 46.2-755.1, 46.2-755.2, and 46.2-1167.1, subsection K of § 58.1-605, subsection H
67 of § 58.1-606, and §§ 58.1-802.1, 58.1-2402.1, and 58.1-3825.1.

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

71 a. The next \$50 million each fiscal year shall be distributed to the Washington Metropolitan Area
72 Transit Authority (WMATA) and shall be used for capital improvements benefiting the area embraced
73 by the Authority Virginia for WMATA's transit service (Metro). The Authority shall make such annual
74 distribution from such revenues only if the County of Arlington and the City of Alexandria are imposing
75 all of the fees and taxes pursuant to §§ 46.2-755.1, 46.2-755.2, and 46.2-1167.1, subsection K of
76 § 58.1-605, subsection H of § 58.1-606, and §§ 58.1-802.1, 58.1-2402.1, and 58.1-3825.1. The Authority
77 shall first make use of that portion of such annual distribution as may be necessary under the
78 requirements of federal law for the payment of federal funds to WMATA, but only if the matching
79 federal funds are exclusive of and in addition to the amount of other federal funds appropriated for such
80 purposes and are in an amount not less than the amount of such funds appropriated in the federal fiscal
81 year ending September 30, 2007;

82 For each year after 2018 any portion of the amount distributed pursuant to this subsection may be
83 used for mass transit improvements in Prince William County, but only if Prince William County is
84 imposing all of the fees and taxes pursuant to §§ 46.2-755.1, 46.2-755.2, and 46.2-1167.1, subsection K
85 of § 58.1-605, subsection H of § 58.1-606, and §§ 58.1-802.1, 58.1-2402.1, and 58.1-3825.1;

86 b. The next \$25 million each fiscal year shall be distributed to the Virginia Railway Express for
87 operating and capital improvements, including but not limited to track lease payments, construction of
88 parking, dedicated rail on the Fredericksburg line, rolling stock, expanded service in Prince William
89 County, and service as may be needed as a result of the Base Realignment and Closure Commission's
90 action regarding Fort Belvoir. The Authority shall make such annual distribution from such revenues
91 only if Prince William County is imposing all of the fees and taxes pursuant to §§ 46.2-755.1,
92 46.2-755.2, and 46.2-1167.1, subsection K of § 58.1-605, subsection H of § 58.1-606, and §§ 58.1-802.1,
93 58.1-2402.1, and 58.1-3825.1;

94 c. Beginning at the time phase two of the Dulles Rail project begins construction, at least \$20
95 million shall be dedicated annually for the Dulles Rail project, but only if Loudoun County is imposing
96 all of the fees and taxes pursuant to §§ 46.2-755.1, 46.2-755.2, and 46.2-1167.1, subsection K of
97 § 58.1-605, subsection H of § 58.1-606, and §§ 58.1-802.1, 58.1-2402.1, and 58.1-3825.1;

98 d. The next \$2 million each fiscal year shall be distributed for Loudoun County transit service, but
99 only if Loudoun County is imposing all of the fees and taxes pursuant to §§ 46.2-755.1, 46.2-755.2, and
100 46.2-1167.1, subsection K of § 58.1-605, subsection H of § 58.1-606, and §§ 58.1-802.1, 58.1-2402.1,
101 and 58.1-3825.1.

102 2. All transportation projects undertaken by the Northern Virginia Transportation Authority shall be
103 completed by private contractors accompanied by performance measurement standards, and all contracts
104 shall contain a provision granting the Authority the option to terminate the contract if contractors do not
105 meet such standards. Notwithstanding the foregoing, any locality may provide engineering services or
106 right-of-way acquisition for any project with its own forces. The Authority shall avail itself of the
107 strategies permitted under the Public-Private Transportation Act (§ 56-556 et seq.) whenever feasible and
108 advantageous. The Authority is independent of any state or local entity, including the Virginia
109 Department of Transportation (VDOT) and the Commonwealth Transportation Board (CTB), but the
110 Authority, VDOT and CTB shall consult with one another to avoid duplication of efforts and, at the
111 option of the Authority, may combine efforts to complete specific projects. Notwithstanding the
112 foregoing, at the request of the Authority, VDOT may provide the Authority with engineering services
113 or right-of-way acquisition for the project with its own forces. When determining what projects to
114 construct under this subsection, the Authority shall base its decisions on the combination that (i)
115 equitably distributes the funds throughout the localities that are imposing all of the fees and taxes
116 pursuant to §§ 46.2-755.1, 46.2-755.2, and 46.2-1167.1, subsection K of § 58.1-605, subsection H of
117 § 58.1-606, and §§ 58.1-802.1, 58.1-2402.1, and 58.1-3825.1, and (ii) constructs projects that move the
118 most people or commercial traffic in the most cost-effective manner, and on such other factors as
119 approved by the Authority.

120 3. All revenues deposited to the credit of the Authority shall be used for projects benefiting the

localities embraced by the Authority, with each locality's total long-term benefits being approximately equal to the total of the fees and taxes received by the Authority that are generated by or attributable to the locality divided by the total of such fees and taxes received by the Authority.

D. For road construction and improvements pursuant to subsection B, the Department of Transportation may, on a reimbursement basis, provide the locality with planning, engineering, right-of-way, and construction services for projects funded in whole by the revenues provided to the locality by the Authority.

§ 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. 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 solely with revenues of the Authority or solely with revenues under the control of the Authority in such a way as to increase the facility's traffic capacity, with the amount of any tolls variable by time of day, day of the week, vehicle size or type, number of axles, or other factors as the Authority may deem proper, and with all such tolls to be used for programs and projects that are reasonably related to or benefit the users of the applicable facility, including, but not limited to, for the debt service and other costs of bonds whose proceeds are used for such construction or reconstruction;

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, 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.); *and*

~~12. To decide and vote to impose certain fees and taxes authorized under law for imposition or assessment by the Authority, provided that any such fee or tax assessed or imposed is assessed or imposed in all counties and cities embraced by the Authority. The revenues from such certain fees and taxes shall be kept in a separate account and shall be used only for the purposes provided in this chapter.~~

§ 33.1-391.10. Additional powers of the Authority.

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

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

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

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

4. To establish bylaws and make all rules and regulations, not inconsistent with the provisions of this

chapter, deemed expedient for the management of the Authority's affairs;

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

6. To acquire real and personal property or any interest therein by purchase, lease, gift, or otherwise for purposes consistent with this chapter; and to hold, encumber, sell, or otherwise dispose of such land or interest for purposes consistent with this chapter;

7. To acquire by purchase, lease, contract, or otherwise, highways, bridges, tunnels, railroads, rolling stock, and transit and rail facilities and other transportation-related facilities; and to construct the same by purchase, lease, contract, or otherwise;

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

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

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

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

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

~~13. To decide and vote to impose all of the fees and taxes authorized under law for use by the Authority. Furthermore, no such fee or tax shall apply to Accomack or Northampton County until such time that the Chesapeake Bay Bridge-Tunnel facilities become subject to the control of the Authority as provided under § 33.1-391.12; and~~

~~14/3.~~ 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 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 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 considered and acted upon a financing plan for the maintenance, operation, and 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; Downtown Tunnel/Midtown Tunnel/MLK Extension; Southeastern Parkway/Dominion Blvd/Route 17; I-664 Widening in Newport News; I-664 Widening on the Southside; I-664 Monitor Merrimac Memorial Bridge Tunnel Widening.

Second Phase Projects:

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

§ 33.1-391.14:01. Local transportation fees and taxes.

In addition to any other taxes, fees, or 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, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg may by ordinance levy the fees and taxes authorized by §§ 46.2-755.1, 46.2-755.2, and 46.2-1167.1, subsection K of § 58.1-605, subsection H of § 58.1-606, and §§ 58.1-802.1, 58.1-1724.3, and 58.1-2402.1, provided that (i) the governing body of the county or city adopts and imposes all of the fees and taxes authorized by §§ 46.2-755.1, 46.2-755.2, and 46.2-1167.1, subsection K of § 58.1-605, subsection H of § 58.1-606, and §§ 58.1-802.1, 58.1-1724.3, and 58.1-2402.1, and (ii) the governing body of the county or city transfers the revenue collected from such fees and taxes to the Authority.

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 also by ordinance levy the fees and taxes authorized by

§§ 46.2-755.1, 46.2-755.2, and 46.2-1167.1, subsection K of § 58.1-605, subsection H of § 58.1-606, and § 58.1-802.1, 58.1-1724.3, and 58.1-2402.1, provided that (i) the governing body of the respective county adopts and imposes all of the fees and taxes authorized by §§ 46.2-755.1, 46.2-755.2, and 46.2-1167.1, subsection K of § 58.1-605, subsection H of § 58.1-606, and §§ 58.1-802.1, 58.1-1724.3, and 58.1-2402.1, and (ii) the governing body of the respective county transfers the revenue collected from such fees and taxes to the Authority.

The Authority shall use all funds collected hereunder solely for the purposes provided in § 33.1-391.15.

§ 33.1-391.15. Use of revenues by the Authority.

Notwithstanding any other provision of this chapter, all moneys received by the Authority shall be used by the Authority solely for the benefit of transportation purposes benefiting those counties and cities that are embraced by the Authority, and such moneys shall be used by the Authority in a manner that is consistent with the purposes stated in this chapter imposing all of the fees and taxes authorized by §§ 46.2-755.1, 46.2-755.2, and 46.2-1167.1, subsection K of § 58.1-605, subsection H of § 58.1-606, and §§ 58.1-802.1, 58.1-1724.3, and 58.1-2402.1. Such moneys shall be used by the Authority in a manner that is consistent with the purposes stated in this chapter.

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

A. In addition to taxes and license fees imposed pursuant to § 46.2-752 and to all other taxes and fees permitted by law, the Hampton Roads Transportation Authority established pursuant to § 33.1-391.7 and the Northern Virginia Transportation Authority established pursuant to § 15.2-4830 and subject to the limitations contained in § 33.1-391.14:01, the governing body of each of the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg are authorized to charge an additional non-refundable annual license fee in the amount of \$10 for each vehicle registered in any the county or city that is embraced by the respective Authority, for such vehicles subject to state registration fees under this Title, provided that the governing body of the respective county or city authorizes the transfer of the revenues collected from such fee to the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.15. Such additional license fees shall not, however, be charged for any vehicle registered under the International Registration Plan developed by International Registration Plan, Inc.

B. At such time as the Chesapeake Bay Bridge-Tunnel becomes subject to the control of the Hampton Roads Transportation Authority as provided in § 33.1-391.12, the governing body of each of the Counties of Accomack and Northampton may by ordinance impose the fee described under subsection A, provided that the governing body of the respective county authorizes the transfer of the revenues collected from such fee to the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.15.

C. The governing body of each of the Counties of Arlington, Fairfax, Loudoun, and Prince William and the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park may by ordinance impose the fee described under subsection A, provided that the governing body of the respective county or city authorizes the transfer of the revenues collected from such fee to the Northern Virginia Transportation Authority established under § 15.2-4830 to be used according to the provisions of § 15.2-4838.1.

D. Any and all fees imposed pursuant to this section shall be collected by the Department of Motor Vehicles at the time the vehicle is registered with the Department or when its registration is renewed. Each fee shall be denominated by the Department as the "Hampton Roads Improvement Fee" or the "Northern Virginia Roads Improvement Fee," as applicable. All such fees shall be remitted by the Comptroller on a monthly basis to the Hampton Roads Transportation Authority or the Northern Virginia Transportation Authority, as applicable. The Commissioner shall maintain records of the fee imposed and collected and the locality and address where each vehicle is registered.

E. No locality imposing the fee pursuant to this section shall cease to impose such fee so long as the Hampton Roads Transportation Authority or the Northern Virginia Transportation Authority, as applicable, (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.

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

A. In addition to taxes and license fees imposed pursuant to § 46.2-752 and to all other taxes and fees permitted by law, the Hampton Roads Transportation Authority established pursuant to § 33.1-391.7 and the Northern Virginia Transportation Authority established pursuant to § 15.2-4830 and subject to the limitations contained in § 33.1-391.14:01, the governing body of each of the Counties of Isle of

Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg are authorized to charge an additional non-refundable initial, one-time registration fee on any vehicle registered in ~~any~~ the county or city ~~that~~ is embraced by the respective Authority, for such vehicles subject to state registration fees under this Title, *provided that the governing body of the respective county or city authorizes the transfer of the revenues collected from such fee to the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.15.* The fee shall be imposed at a rate of 1% of the value of the vehicle at the time the vehicle is first registered in such county or city by the owner of the vehicle. The value of the vehicle shall be determined on the same basis as is or would be used to determine the basis for motor vehicle sales and use tax as set forth in Chapter 24 (§ 58.1-2400 et seq.) of Title 58.1. The fee authorized by this section shall be assessed at the time the vehicle is first registered in the county or city embraced by the respective Authority by the owner of the vehicle, and shall be imposed only once, so long as the ownership of the vehicle upon which they are imposed remains unchanged.

The fee authorized by this section shall not be imposed upon (i) vehicles registered prior to January 1, 2008 unless the ownership of the vehicle changes on or after January 1, 2008; (ii) vehicles registered under the International Registration Plan developed by International Registration Plan, Inc.; and (iii) any vehicle for which the sole basis for imposing the fee would be a change in the ownership of the vehicle due to (a) a gift to the spouse, son, or daughter of the transferor, (b) a transfer to a spouse, heir under the will, or heir at law by intestate succession as a result of the death of the owner of the vehicle, or (c) the addition or removal of a spouse.

B. At such time as the Chesapeake Bay Bridge-Tunnel becomes subject to the control of the Hampton Roads Transportation Authority as provided in § 33.1-391.12, the governing body of each of the Counties of Accomack and Northampton may by ordinance impose the fee described under subsection A, provided that the governing body of the respective county authorizes the transfer of the revenues collected from such fee to the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.15.

C. The governing body of each of the Counties of Arlington, Fairfax, Loudoun, and Prince William and the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park may by ordinance impose the fee described under subsection A, provided that the governing body of the respective county or city authorizes the transfer of the revenues collected from such fee to the Northern Virginia Transportation Authority established under § 15.2-4830 to be used according to the provisions of § 15.2-4838.1.

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

Any and all fees collected by the Department of Motor Vehicles under this section shall be designated by the Department as the "Hampton Roads Transportation Initial Registration Fee" or the "Northern Virginia Transportation Initial Registration Fee," as applicable, and shall be remitted by the Comptroller on a monthly basis to the Hampton Roads Transportation Authority or the Northern Virginia Transportation Authority, as applicable. The Commissioner shall maintain records of the fee imposed and collected and the locality and address where each vehicle is registered.

E. No locality imposing the fee pursuant to this section shall cease to impose such fee so long as the Hampton Roads Transportation Authority or the Northern Virginia Transportation Authority, as applicable, (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.

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

A. In addition to all other charges and fees permitted by law, the Hampton Roads Transportation Authority and the Northern Virginia Transportation Authority and subject to the limitations contained in § 33.1-391.14:01, the governing body of each of the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg are authorized to charge an additional fee at the time of inspection in the amount of \$10 for all vehicles that are inspected within the county or city and for which an amount is permitted to be charged for inspection pursuant to § 46.2-1167 in the area embraced by the respective Authority and which shall be transmitted to the respective Authority provided that the governing body of the respective county or city authorizes the transfer of the revenues collected from such fee to the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.15.

B. At such time as the Chesapeake Bay Bridge-Tunnel becomes subject to the control of the Hampton

Roads Transportation Authority as provided in § 33.1-391.12, the governing body of each of the Counties of Accomack and Northampton may by ordinance impose the fee described under subsection A, provided that the governing body of the respective county authorizes the transfer of the revenues collected from such fee to the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.15.

C. The governing body of each of the Counties of Arlington, Fairfax, Loudoun, and Prince William and the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park may by ordinance impose the fee described under subsection A, provided that the governing body of the respective county or city authorizes the transfer of the revenues collected from such fee to the Northern Virginia Transportation Authority established under § 15.2-4830 to be used according to the provisions of § 15.2-4838.1.

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

§ 58.1-540. Levy of the tax.

A. The Counties of Arlington, Fairfax, Loudoun, and Prince William, and the Cities of Alexandria, Fairfax, Falls Church, Manassas, Manassas Park, Norfolk, and Virginia Beach hereby authorized to levy a local income tax at any increment of one-quarter percent up to a maximum rate of one percent upon the Virginia taxable income as determined in § 58.1-322 for an individual, § 58.1-361 for a fiduciary of an estate or trust, or § 58.1-402 for a corporation, for each taxable year of every resident of such county or city or corporation having income from sources within such county or city, subject to the limitations of subsection B of this section. The same rate shall apply to individuals, fiduciaries and corporations.

B. The authority to levy a local income tax as provided in subsection A may be exercised by a county or city governing body only if (i) the county or city is not imposing any of the taxes and fees authorized pursuant to § 46.2-755.1, 46.2-755.2, or 46.2-1167.1, subsection K of § 58.1-605, subsection H of § 58.1-606, or § 58.1-802.1, 58.1-1724.3, 58.1-2402.1, 58.1-3221.3, or 58.1-3825.1, and (ii) approved in a referendum within the county or city. The referendum shall be held in accordance with § 24.2-684. The referendum may be initiated either by a resolution of the governing body of the county or city or on the filing of a petition signed by a number of registered voters of the county or city equal in number to ten percent of the number of voters registered in the county or city on January 1 of the year in which the petition is filed with the circuit court of such county or city. The clerk of the circuit court shall publish notice of the election in a newspaper of general circulation in the county or city once a week for three consecutive weeks prior to the election. The ballot used shall be printed to read as follows:

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

— Yes

— No"

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

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

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

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

C. The council of any city and the governing body of any county desiring to impose a local sales tax under this section may do so by the adoption of an ordinance stating its purpose and referring to this

428 section, and providing that such ordinance shall be effective on the first day of a month at least 60 days
429 after its adoption. A certified copy of such ordinance shall be forwarded to the Tax Commissioner so
430 that it will be received within five days after its adoption.

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

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

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

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

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

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

486 J. It is further provided that if any incorporated town which would otherwise be eligible to receive
487 funds from the county treasurer under subsection G or H of this section be located in a county which
488 does not levy a general retail sales tax under the provisions of this law, such town may levy a general
489 retail sales tax at the rate of one percent to provide revenue for the general fund of the town, subject to

all the provisions of this section generally applicable to cities and counties. Any tax levied under the authority of this subsection shall in no case continue to be levied on or after the effective date of a county ordinance imposing a general retail sales tax in the county within which such town is located.

K. 1. Notwithstanding the other provisions of this chapter, ~~the Hampton Roads Transportation Authority and the Northern Virginia Transportation Authority~~ and subject to the limitations contained in § 33.1-391.14:01, the governing body of each of the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg may impose a retail sales 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 provided within a city or county embraced by the respective Authority, provided that the governing body of the respective county or city 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 § 33.1-391.15.

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 § 33.1-391.15.

3. The governing body of each of the Counties of Arlington, Fairfax, Loudoun, and Prince William and the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park may by ordinance impose the tax described under subdivision 1, provided that the governing body of the respective county or city authorizes the Tax Commissioner to transfer the revenues collected from such tax to the Northern Virginia Transportation Authority established under § 15.2-4830 to be used according to the provisions of § 15.2-4838.1.

4. No locality imposing the tax pursuant to this subsection shall cease to impose such tax so long as the Hampton Roads Transportation Authority or the Northern Virginia Transportation Authority, as applicable, (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.

25. The revenue generated and collected pursuant to the tax authorized under this subsection, less the applicable portion of any refunds to taxpayers and after subtraction of the direct costs of administration by the Department, shall be deposited and held in a special trust fund under the control of the State Treasurer entitled the "Special Sales and Use Tax Motor Vehicle Repair Fund for Hampton Roads" or the "Special Sales and Use Tax Motor Vehicle Repair Fund for Northern Virginia," as applicable. The State Treasurer on a monthly basis shall distribute the amounts deposited in the special trust fund funds to the Hampton Roads Transportation Authority or the Northern Virginia Transportation Authority as appropriate.

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

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

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

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

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

551 of law, including any charter provision.

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

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

557 D. The local use tax authorized by this section shall not apply to transactions to which the sales tax
558 applies, the situs of which for state and local sales tax purposes is the city or county of location of each
559 place of business of every dealer paying the tax to the Commonwealth without regard to the city or
560 county of possible use by the purchasers. However, the local use tax authorized by this section shall
561 apply to tangible personal property purchased without this Commonwealth for use or consumption
562 within the city or county imposing the local use tax, or stored within the city or county for use or
563 consumption, where the property would have been subject to the sales tax if it had been purchased
564 within this Commonwealth. The local use tax shall also apply to leases or rentals of tangible personal
565 property where the place of business of the lessor is without this Commonwealth and such leases or
566 rentals are subject to the state tax. Moreover, the local use tax shall apply in all cases in which the state
567 use tax applies.

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

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

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

590 H. 1. Notwithstanding the other provisions of this chapter, ~~the Hampton Roads Transportation~~
591 ~~Authority and the Northern Virginia Transportation Authority and subject to the limitations in~~
592 ~~§ 33.1-391.14:01, the governing body of each of the Counties of Isle of Wight, James City, and York~~
593 ~~and the Cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk,~~
594 ~~Virginia Beach, and Williamsburg may impose a retail use tax at the rate of 5% on (i) charges for~~
595 ~~separately stated labor or services for the repair of motor vehicles and (ii) charges for the repair of a~~
596 ~~motor vehicle in cases in which the true object of the repair is a service provided within a city or~~
597 ~~county embraced by the respective Authority, provided that the governing body of the respective county~~
598 ~~or city authorizes the Tax Commissioner to transfer the revenues collected from such tax to the~~
599 ~~Hampton Roads Transportation Authority established under § 33.1-391.7 to be used according to the~~
600 ~~provisions of § 33.1-391.15.~~

601 2. At such time as the Chesapeake Bay Bridge-Tunnel becomes subject to the control of the Hampton
602 Roads Transportation Authority as provided in § 33.1-391.12, the governing body of each of the
603 Counties of Accomack and Northampton may by ordinance impose the tax described under subdivision
604 1, provided that the governing body of the respective county authorizes the Tax Commissioner to
605 transfer the revenues collected from such tax to the Hampton Roads Transportation Authority
606 established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.15.

607 3. The governing body of each of the Counties of Arlington, Fairfax, Loudoun, and Prince William
608 and the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park may by ordinance
609 impose the tax described under subdivision 1, provided that the governing body of the respective county
610 or city authorizes the Tax Commissioner to transfer the revenues collected from such tax to the
611 Northern Virginia Transportation Authority established under § 15.2-4830 to be used according to the
612 provisions of § 15.2-4838.1.

4. No locality imposing the tax pursuant to this subsection shall cease to impose such tax so long as the Hampton Roads Transportation Authority or the Northern Virginia Transportation Authority, as applicable, (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.

25. The revenue generated and collected pursuant to the tax authorized under this subsection, less the applicable portion of any refunds to taxpayers and after subtraction of the direct costs of administration by the Department, shall be deposited and held in a special trust fund under the control of the State Treasurer entitled *the "Special Sales and Use Tax Motor Vehicle Repair Fund for Hampton Roads" or the "Special Sales and Use Tax Motor Vehicle Repair Fund for Northern Virginia," as applicable.* The State Treasurer on a monthly basis shall distribute the amounts deposited in the special trust fund funds to the Hampton Roads Transportation Authority or the Northern Virginia Transportation Authority as appropriate.

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

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

Any dealer or other person required to collect any tax imposed under this chapter, or pursuant to any authority granted under this chapter, who is located in any county or city embraced by the Northern Virginia Transportation Authority established under § 15.2-4830 or the Hampton Roads Transportation Authority established under § 33.1-391.7 that imposes the tax set forth in subsection K of § 58.1-605, shall separately state on any bill, invoice, ticket, or other billing statement the amount charged by such dealer or person for labor or services performed in the repair of motor vehicles. This section shall apply only in the counties or cities embraced by the Northern Virginia Transportation Authority if the Authority is imposing the taxes authorized pursuant to subsection K of § 58.1-605 and subsection H of § 58.1-606, or in the counties or cities embraced by the Hampton Roads Transportation Authority if the Authority is imposing the taxes authorized pursuant to subsection K of § 58.1-605 and subsection H of § 58.1-606.

§ 58.1-802.1. Regional congestion relief fee.

A. In addition to any other tax imposed under the provisions of this chapter, the Hampton Roads Transportation Authority established pursuant to § 33.1-391.7 and the Northern Virginia Transportation Authority established pursuant to § 15.2-4830 and subject to the limitations contained in § 33.1-391.14:01, the governing body of each of the Counties of Isle of Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg may impose a fee, delineated as the "Regional congestion relief fee," on each deed, instrument, or writing by which lands, tenements, or other realty located in any the county or city embraced by the respective Authority is sold and is granted, assigned, transferred, or otherwise conveyed to or vested in the purchaser or any other person, by such purchaser's direction; provided that the governing body of the respective county or city authorizes the clerk of the court to transfer the revenues collected from such fee to the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.15. The rate of the fee, when the consideration or value of the interest, whichever is greater, equals or exceeds \$100, shall be \$0.40 for each \$100 or fraction thereof, exclusive of the value of any lien or encumbrance remaining thereon at the time of the sale, whether such lien is assumed or the realty is sold subject to such lien or encumbrance.

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

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

B. At such time as the Chesapeake Bay Bridge-Tunnel becomes subject to the control of the Hampton Roads Transportation Authority as provided in § 33.1-391.12, the governing body of each of the Counties of Accomack and Northampton may by ordinance impose the fee described under subsection A, provided that the governing body of the respective county authorizes the clerk of the court to transfer the revenues collected from such fee to the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.15.

C. The governing body of each of the Counties of Arlington, Fairfax, Loudoun, and Prince William

674 *and the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park may by ordinance*
675 *impose the fee described under subsection A, provided that the governing body of the respective county*
676 *or city authorizes the clerk of the court to transfer the revenues collected from such fee to the Northern*
677 *Virginia Transportation Authority established under § 15.2-4830 to be used according to the provisions*
678 *of § 15.2-4838.1.*

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

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

691 § 58.1-1724.3. Sales tax on fuel in certain localities.

692 A. In addition to all other taxes, fees, and other charges imposed on fuels subject to tax under
693 Chapter 22 (§ 58.1-2200 et seq.) of this title, ~~the Hampton Roads Transportation Authority and subject~~
694 *to the limitations contained in § 33.1-391.14:01, the governing body of each of the Counties of Isle of*
695 *Wight, James City, and York and the Cities of Chesapeake, Hampton, Newport News, Norfolk,*
696 *Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg may impose a sales tax of 2% of the*
697 *retail price of such fuels sold at retail within any such county or city embraced by the Authority,*
698 *provided that the governing body of the county or city authorizes the Commissioner to transfer the*
699 *revenues collected from such tax to the Hampton Roads Transportation Authority established under*
700 *§ 33.1-391.7 to be used for the purposes set forth in § 33.1-391.15. The Commissioner shall transfer the*
701 *revenues collected to the Hampton Roads Transportation Authority established under § 33.1-391.7. As*
702 *used in this section "sold at retail" means a sale to a consumer or to any person for any purpose other*
703 *than resale.*

704 *At such time as the Chesapeake Bay Bridge-Tunnel becomes subject to the control of the Hampton*
705 *Roads Transportation Authority as provided in § 33.1-391.12, the governing body of each of the*
706 *Counties of Accomack and Northampton may by ordinance impose the tax described herein, provided*
707 *that the governing body of the respective county authorizes the Commissioner to transfer the revenues*
708 *collected from such tax to the Hampton Roads Transportation Authority established under § 33.1-391.7*
709 *to be used for the purposes set forth in § 33.1-391.15.*

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

716 B. The tax imposed under this section shall be subject to the provisions of the Virginia Retail Sales
717 and Use Tax Act (§ 58.1-600 et seq.), except that the exemption provided for motor vehicle fuels under
718 § 58.1-609.1, and the bracket system provided in such act, shall not be applicable.

719 § 58.1-1724.7. Disclosure of information; penalties.

720 For purposes of administering the tax levied under this article, the Commissioner, upon written
721 request, is authorized to provide to the finance officer of ~~the Hampton Roads Transportation~~
722 ~~Authority, any county or city who is charged with administering the motor vehicle fuel sales tax, such~~
723 *information as may be necessary for the performance of his official duties. Any person to whom*
724 *information is provided pursuant to this section shall be subject to the prohibitions and penalties*
725 *prescribed in § 58.1-3.*

726 § 58.1-2402.1. Local rental car transportation fee.

727 A. In addition to all other taxes, fees, and other charges imposed under law, ~~the Hampton Roads~~
728 ~~Transportation Authority established pursuant to § 33.1-391.7 and the Northern Virginia Transportation~~
729 ~~Authority established pursuant to § 15.2-4830, and subject to the limitations contained in~~
730 *§ 33.1-391.14:01, the governing body of each of the Counties of Isle of Wight, James City, and York*
731 *and the Cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk,*
732 *Virginia Beach, and Williamsburg may impose a fee of 2% of the gross proceeds on the daily rental of*
733 *a vehicle in any the respective county or city embraced by the respective Authority wherein the daily*
734 *rental of the vehicle occurs, regardless of whether such vehicle is required to be licensed in the*
735 *Commonwealth; provided that the county or city authorizes the Commissioner of the Department of*

Motor Vehicles to transfer the revenues collected from such fee to the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.15. 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. At such time as the Chesapeake Bay Bridge-Tunnel becomes subject to the control of the Hampton Roads Transportation Authority as provided in § 33.1-391.12, the governing body of each of the Counties of Accomack and Northampton may by ordinance impose the fee described under subsection A, provided that the governing body of the respective county authorizes the Commissioner of the Department of Motor Vehicles to transfer the revenues collected from such fee to the Hampton Roads Transportation Authority established under § 33.1-391.7 to be used for the purposes set forth in § 33.1-391.15.

C. The governing body of each of the Counties of Arlington, Fairfax, Loudoun, and Prince William and the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park may by ordinance impose the fee described under subsection A, provided that the governing body of the respective county or city authorizes the Commissioner of the Department of Motor Vehicles to transfer the revenues collected from such fee to the Northern Virginia Transportation Authority established under § 15.2-4830 to be used according to the provisions of § 15.2-4838.1.

D. No locality imposing the fee pursuant to this section shall cease to impose such fee so long as the Hampton Roads Transportation Authority or the Northern Virginia Transportation Authority, as applicable, (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.

BE. After subtraction of the direct costs of administration by the Department, the Commissioner shall transfer the revenues collected pursuant to this section to the Hampton Roads Transportation Authority and the Northern Virginia Transportation Authority, as appropriate.

CF. 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 locality.

DG. 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.

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

In addition to such transient occupancy taxes as are authorized by this chapter, ~~the Northern Virginia Transportation Authority established under § 15.2-4830~~ the governing body of each of the Counties of Arlington, Fairfax, Loudoun, and Prince William and the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park may impose an additional transient occupancy tax at the rate of 2% of the amount of charge for the occupancy of any room or space occupied provided that ~~such room or space is located within a county or city embraced by the Authority~~ the governing body of the respective county or city transfers the revenues collected from such tax to the Northern Virginia Transportation Authority established under § 15.2-4830. Such revenues shall be used according to the provisions of § 15.2-4838.1.

No locality imposing the tax pursuant to this section shall cease to impose such tax so long as the Northern Virginia Transportation Authority (i) is currently engaged in a transportation project within the boundaries of the locality, (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.

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

3. That each county or city that imposes any of the fees or taxes authorized under § 46.2-755.1, 46.2-755.2, or 46.2-1167.1, subsection K of § 58.1-605, subsection H of § 58.1-606, or § 58.1-802.1, 58.1-1724.3, 58.1-2402.1, or 58.1-3825.1 of the Code of Virginia pursuant to the provisions of this act shall for each fiscal year in which it imposes such fee or tax expend or disburse for transportation purposes an amount (computed without regard to any revenues generated in the fiscal year from such fees or taxes) that is at least equal to the total amount expended or disbursed for transportation purposes by the county or city in its fiscal year that began in calendar year 2007.

797 4. That nothing in this act shall be construed to prohibit any county or city that imposes any of
798 the fees or taxes authorized under § 46.2-755.1, 46.2-755.2, or 46.2-1167.1, subsection K of
799 § 58.1-605, subsection H of § 58.1-606, or § 58.1-802.1, 58.1-1724.3, 58.1-2402.1, or 58.1-3825.1 of
800 the Code of Virginia pursuant to the provisions of this act from reducing or repealing any other
801 fees or taxes.

802 5. That the revenue generated by this act shall be used solely for transportation purposes.

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