

2010 SESSION

INTRODUCED

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HB1059

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HOUSE BILL NO. 1059

Offered January 13, 2010

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A *BILL to authorize the Commonwealth Transportation Board to issue certain bonds, relating to transportation.*

Patron—Marshall, R.G.

Referred to Committee on Appropriations

Be it enacted by the General Assembly of Virginia:

1. § 1. Title.

This act shall be known and may be cited as the "Commonwealth Transportation Capital Projects Bond Act of 2010."

§ 2. *The Commonwealth Transportation Board is hereby authorized, by and with the consent of the Governor, to issue, pursuant to the provisions of the State Revenue Bond Act (§ 33.1-267 et seq. of the Code of Virginia) as amended from time to time, revenue obligations of the Commonwealth to be designated "Commonwealth of Virginia Transportation Capital Projects Revenue Bonds, Series .." at one or more times in an aggregate principal amount not to exceed \$3,963,000,000, after all costs.*

§ 3. *The net proceeds of the bonds shall be used exclusively for the purpose of providing funds for paying the costs incurred or to be incurred for construction or funding of the transportation projects set forth below in this section, including but not limited to environmental and engineering studies; rights-of-way acquisition; improvements to all modes of transportation; acquisition, construction, and related improvements; and any financing costs and other financing expenses. Such costs may include the payment of interest on the bonds for a period during construction and not exceeding one year after completion of construction of the projects.*

Project	Cost
Add four lanes (two in each direction) to the Hampton Roads Bridge Tunnel; or add them to a new structure parallel to the Hampton Roads Bridge Tunnel	\$2,000,000,000
Improvements on Interstate 81 for trucks that are required to stop at weigh stations	\$520,000,000
Extend Virginia Railway Express from Manassas to Haymarket and purchase rolling stock	\$300,000,000
Construct the Tri-County Connector for the Counties of Fairfax, Prince William, and Loudoun and acquire rights of way for mass transit along the Connector	\$555,000,000
Construct connector between Rte. 66 and Rte. 29 at Haymarket and widen Rte. 66 by an additional lane from Gainesville to the new connector	\$300,000,000
Improve the Washington Metropolitan Transit Authority's capital assets in the Commonwealth and purchase rolling stock	\$200,000,000
Widen Rte. 460 by adding one lane in the westbound lane and one lane in the eastbound lane west of Grundy to the Kentucky border	\$88,000,000
Total	\$3,963,000,000

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

§ 5. The terms and structure of each issue of the bonds 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 bonds of each issue shall be dated; shall be issued in a principal amount (subject to the limitations set forth in § 2 and in subsection C of § 33.1-23.03:8 of the Code of Virginia); 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 25 years from their date or dates; 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 bonds, whether the bonds are certificated or uncertificated, and fix the authorized denomination or denominations of the bonds and the place or places of payment of principal or purchase price of, and redemption premium, if any, and interest on the bonds, 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 bonds shall be made payable in lawful money of the United States of America. Each issue of the bonds 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 bonds. All bonds 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 bonds 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 bonds 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 bonds shall bear the facsimile signature of the chairman or vice-chairman of the Commonwealth Transportation Board, such bonds 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 bonds shall cease to be such officer before the delivery of such bonds, 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 bonds shall be paid from the proceeds of such bonds 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 bonds for the same, but only in the following circumstances and under the following conditions:

a. In anticipation of the sale of the bonds, 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 bonds; or

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

§ 9. The proceeds of the bonds and of any anticipation notes herein authorized (except the proceeds of the bonds 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 bonds and such anticipation notes shall be issued; provided, however, that proceeds derived from the sale of the bonds 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 bonds and any renewals of such bonds. The proceeds of the bonds 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 bonds 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 bonds.

119 § 11. The Commonwealth Transportation Board, in connection with the issuance of the bonds, shall
120 establish a fund in accordance with § 33.1-286 of the Code of Virginia, as amended, either in the state
121 treasury or with a trustee in accordance with § 33.1-283 of the Code of Virginia, as amended, which
122 shall secure and be used for the payment of the bonds to the credit of which there shall be deposited
123 such amounts, appropriated therefor by the General Assembly, as are required to pay principal or
124 purchase price of, and redemption premium, if any, and interest on the bonds, as and when due and
125 payable, (i) from the tolls, fares, and fees to be in place for each project as set forth in § 12; (ii) to the
126 extent required, from revenues legally available from the Transportation Trust Fund; and (iii) to the
127 extent required, from any legally available funds.

128 § 12. Each project, except for the Virginia Railway Express (VRE) and the Interstate 81 projects,
129 shall have appropriate tolls on the new construction to pay for each project's proportionate receipt of
130 the proceeds of the bonds, which will correspond to each project's proportionate share of paying all
131 costs associated with the bonds, including, but not limited to, principal and interest. The VRE shall
132 dedicate a portion of its fares or other available funds to assist in paying for the bonds. The project for
133 the Washington Metropolitan Transit Authority ("Metro") and the money associated with it is contingent
134 on the Metro Board agreeing to dedicate a portion of its fares or other available funds to assist in
135 paying for the bonds. For the Interstate 81 project appropriate fees shall be collected at truck weigh
136 stations to pay for the Interstate 81 project's share of the payments on the bonds.

137 § 13. Bond proceeds and moneys in any reserve funds and sinking funds in respect of the bonds shall
138 be invested by the State Treasurer in accordance with the provisions of general law relating to the
139 investment of such funds belonging to or in the control of the Commonwealth, or by a trustee in
140 accordance with § 33.1-283 of the Code of Virginia, as amended.

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

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