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**HOUSE BILL NO. 747**  
Offered January 22, 1996

A *BILL* authorizing the issuance of Commonwealth of Virginia Toll Revenue Bonds, by and with the consent of the Governor pursuant to the provisions of Article 5 (§ 33.1-267 et seq.) of Chapter 3 of Title 33.1 of the Code of Virginia and as permitted by Section 9 (d) of Article X of the Constitution of Virginia, in a principal amount not exceeding \$12,500,000 to finance the cost of the project plus an amount for the issuance costs, capitalized interest, reserve funds, and other financing expenses, for the purpose of providing funds, with any other available funds, for paying the costs incurred or to be incurred for construction of the Widewater Parkway Project in Stafford County, a revenue producing capital project; authorizing the Commonwealth Transportation Board to fix the details of such bonds and to provide for the sale of such bonds at public or private sale; providing for the pledge of the net revenues of said revenue producing capital project and other available funds for the payment of the interest on such bonds and the principal thereof; and providing that the interest income from such bonds shall be exempt from all taxation within the Commonwealth; and to amend and reenact §§ 33.1-268, 33.1-269, and 33.1-277 of the Code of Virginia, amending the State Revenue Bond Act to include the project.

Patron—Howell

Referred to Committee on Appropriations

Whereas, Section 9 (d) of Article X of the Constitution of Virginia and §§ 33.1-267 through 33.1-295 of the Code of Virginia provide that the General Assembly may authorize the issuance of revenue bonds payable from earnings and from any other available sources of funds, and secured by toll revenues generated by such project; and

Whereas, the project described herein will be a revenue-producing state highway operated and maintained by the Commonwealth Transportation Board; now, therefore,

**Be it enacted by the General Assembly of Virginia:**

1. § 1. This act shall be known and may be cited as the "Widewater Parkway, Stafford County, Commonwealth of Virginia Toll Revenue Bond Act of 1996."

§ 2. The Commonwealth Transportation Board is hereby authorized, by and with the consent of the Governor, to issue, pursuant to the provisions of §§ 33.1-267 through 33.1-295, at one time or from time to time, bonds of the Commonwealth to be designated "Commonwealth of Virginia Transportation Toll Revenue Bonds, Series ....."(the "bonds"), in an aggregate principal amount not exceeding \$12,500,000 to finance the cost of the project plus an amount for the issuance costs, capitalized interest, reserve funds, and other financing expenses. The proceeds of the bonds shall be used exclusively for the purpose of providing funds, with any other available funds, for paying the costs incurred or to be incurred for construction or funding of the project known as the Widewater Parkway, consisting of a four-lane divided road in Stafford County from U.S. Route 1 in Stafford County extending east to a point near the Potomac River, consisting of environmental and engineering studies, rights-of-way acquisition, construction of roadways and related improvements (the "project"). 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 project.

The bonds shall be issued by the Commonwealth Transportation Board and sold through the Treasury Board, which is hereby designated the sales and paying agent of the Commonwealth Transportation Board with respect to the bonds. The Treasury Board's duties shall include the approval of the terms and structure of the bonds.

§ 3. The Commonwealth Transportation Board is hereby authorized (i) to fix, revise, charge, and collect tolls and other charges for, or in connection with, the use of the project and (ii) to pledge such tolls and charges remaining after payment of the expenses of operating and maintaining the project , and any other funds available for such purpose, to the payment of the principal of, premium, if any, and interest on the bonds. All tolls and other charges shall cease to be collected at such time as the bonds and all other financial obligations associated with the project have been paid, or provision made for their payment, from any source available by law for such purpose.

§ 4. The proceeds of the bonds and of the bond anticipation notes herein authorized shall be made available by the Commonwealth Transportation Board to pay the costs of the project and, where appropriate, may be paid to any authority, locality or commission for the purpose of paying for the costs of the project. The proceeds of the bonds may be used with any federal, state, local or private funds which may be made available for said purpose.

INTRODUCED

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60 § 5. The bonds of each issue shall be dated; shall bear interest at such rate or rates; shall mature at  
61 such time or times not exceeding thirty years from their date or dates, as may be determined by the  
62 Commonwealth Transportation Board, or by a formula or method established by resolution of the  
63 Commonwealth Transportation Board; and may be made redeemable before their maturity or maturities,  
64 at such price or prices and under such terms and conditions as may be fixed by the Commonwealth  
65 Transportation Board prior to the issuance of the bonds. The principal of and the interest on the bonds  
66 shall be made payable in lawful money of the United States of America. The Commonwealth  
67 Transportation Board shall determine the form of the bonds and fix the denomination or denominations  
68 of the bonds and the place or places of payment of principal and interest thereof, which may be at the  
69 office of the State Treasurer or any bank or trust company within or without the Commonwealth.

70 All bonds issued under the provisions of this act shall have and are hereby declared to have, as  
71 between successive holders, all the qualities and incidents of negotiable instruments under the negotiable  
72 instruments law of the Commonwealth.

73 The bonds may be issued under a system of book entry for recording the ownership and transfer of  
74 ownership of rights to receive payments of principal of, premium, if any, and interest on the bonds.

75 The bonds may be sold at a public or private sale for such price or prices as the Commonwealth  
76 Transportation Board may determine to be in the best interests of the Commonwealth.

77 § 6. The bonds shall be signed on behalf of the Commonwealth by the Secretary of Transportation or  
78 shall bear his facsimile signature, shall bear the official seal of the Commonwealth Transportation  
79 Board, and shall be attested by the Secretary of the Board. Any interest coupons shall bear a facsimile  
80 of the signature of the Secretary. In the event that the bonds shall bear the facsimile signature of the  
81 Secretary, the bonds shall be signed by such administrative assistant as the Secretary shall determine or  
82 by any registrar or paying agent that may be designated by the Treasury Board. In case any officer,  
83 whose signature or a facsimile of whose signature appears on any bonds or coupons, shall cease to be  
84 such officer before the delivery of such bonds, his signature or facsimile signature shall nevertheless be  
85 valid and sufficient for all purposes as if he had remained in office until such delivery.

86 § 7. All expenses incurred under this act shall be paid from the proceeds of the bonds or from any  
87 available funds as the Commonwealth Transportation Board shall determine.

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

91 1. In anticipation of the sale of the bonds, the issuance of which shall have been authorized by the  
92 Commonwealth Transportation Board and shall have been approved by the Governor, if the  
93 Commonwealth Transportation Board shall deem it advisable to postpone the issuance of the bonds.

94 2. For the renewal of any loan evidenced by notes herein authorized.

95 § 9. The proceeds of the bonds and of the bond anticipation notes herein authorized (except the  
96 proceeds of bonds, the issuance of which has been anticipated by such bond anticipation notes) shall be  
97 placed by the State Treasurer in a special fund in the state treasury, or with his concurrence may be  
98 placed in accordance with § 33.1-283, and shall be disbursed only for the purpose for which such bonds  
99 and such bond anticipation notes shall be issued; however, proceeds derived from the sale of bonds or  
100 renewal herein authorized shall be first used in the payment of any bond anticipation notes that may  
101 have been issued in anticipation of the sale of such bonds and any renewals of such notes.

102 § 10. The Commonwealth Transportation Board is hereby authorized to receive any other funds that  
103 may be made available to pay the cost of the project and to pledge the same to the payment of the  
104 principal of and the interest on the debt authorized hereby and to enter into the appropriate agreements  
105 to allow for those funds to be paid into the state treasury to pay a part of the cost of the project or the  
106 principal of and the interest on such debt.

107 § 11. The Commonwealth Transportation Board, prior to the issuance of the bonds, may establish a  
108 minimum reserve fund requirement for the bonds.

109 § 12. The Commonwealth Transportation Board, prior to the issuance of the bonds, shall establish a  
110 sinking fund for the payment of the bonds, to the credit of which there shall be deposited such amounts  
111 as are required to pay debt service on the bonds due and payable for such fiscal years first from (i) the  
112 net revenues of tolls and other charges collected from vehicles using the project, (ii) to the extent  
113 required, the revenues received pursuant to a contract with Stafford County, or any other mechanism for  
114 generating local revenue for such purpose, that is satisfactory to the Commonwealth Transportation  
115 Board, and (iii) any other available sources of funds.

116 § 13. Bond proceeds and moneys in any reserve funds and sinking funds shall be invested by the  
117 State Treasurer in accordance with the provisions of general law relating to the investment of such  
118 funds belonging to, or in the control of, the Commonwealth, or with the State Treasurer's concurrence  
119 by a trustee in accordance with § 33.1-283.

120 § 14. The interest income from, but not any profit made on, the sale of the bonds, notes and  
121 coupons, if any, issued under the provisions of this act, shall at all times be free and exempt from

122 *taxation by the Commonwealth and by any municipality, county or other political subdivision thereof.*

123 *§ 15. All bonds and notes issued under the provisions of this act are hereby made securities in which*  
124 *all of the following may properly and legally invest funds under their control: public officers and bodies*  
125 *of the Commonwealth; counties, cities, towns and municipal subdivisions; insurance companies and*  
126 *associations; savings banks and savings institutions, including savings and loan associations;*  
127 *administrators; guardians; executors; trustees; and other fiduciaries in the Commonwealth.*

128 *§ 16. The authority granted hereunder to the Commonwealth Transportation Board to issue the*  
129 *bonds to finance the project is expressly contingent upon the fulfillment of the following conditions to*  
130 *the satisfaction of the Commonwealth Transportation Board:*

131 *1. That other federal, state, local or private funds which may be made available, with anticipated toll*  
132 *revenues, are sufficient to pay debt service on the bonds; and*

133 *2. That the availability and use of such additional federal, state, local or private funds is confirmed*  
134 *by the Commonwealth Transportation Board on or before July 1, 2000.*

135 *§ 17. If any part of this act or the application thereof to any person or circumstance is held invalid*  
136 *by a court of competent jurisdiction, such holding shall not affect the validity of the remainder of the*  
137 *provisions or applications of the act which can be given effect without the invalid provision or*  
138 *application, and to this end the provisions of this act are severable.*

139 **2. That §§ 33.1-268, 33.1-269, and 33.1-277 of the Code of Virginia are amended and reenacted as**  
140 **follows:**

141 **§ 33.1-268. Definitions.**

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

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

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

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

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

152 **(c), (d) [Reserved.]**

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

155 **(f), (g) [Reserved.]**

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

158 **(i) [Reserved.]**

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

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

165 **( l ) The Henrico-James River Bridge, extending from a point on the eastern shore of the James**  
166 **River in Henrico County to a point on the western shore, between Falling Creek and Bells Road**  
167 **interchanges of the Richmond-Petersburg Turnpike; however, the project shall be deemed to include all**  
168 **property, rights, easements and franchises relating to any of the foregoing projects and deemed necessary**  
169 **or convenient for the operation thereof and to include approaches thereto.**

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

172 **(n) Dulles Access Road outer roadways, extending from a point on Route 7 in Loudoun County in**  
173 **an easterly direction to a point east of Route 123 on the Dulles Access Road in Fairfax County. These**  
174 **roadways are to be two or three lanes in each direction constructed adjacent to, and parallel to or**  
175 **extending west from, the Dulles Access Road.**

176 **(o), (p) [Repealed.]**

177 **(q) Subject to the limitations and approvals of § 33.1-279.1, any other highway for a primary**  
178 **highway transportation improvement district or transportation service district which the Board has agreed**  
179 **to finance under a contract with any such district or any other alternative mechanism for generation of**  
180 **local revenues for specific funding of a project satisfactory to the Commonwealth Transportation Board,**  
181 **the financing for which is to be secured by Transportation Trust Fund revenues under any appropriation**  
182 **made by the General Assembly for that purpose and payable first from revenues received under such**

183 contract or other local funding source, second, to the extent required, from funds appropriated and  
 184 allocated, pursuant to the highway allocation formula as provided by law, to the highway construction  
 185 district in which the project is located or to the county or counties in which the project is located and  
 186 third, to the extent required from other legally available revenues of the Trust Fund and from any other  
 187 available source of funds.

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

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

190 (t) *The Widewater Parkway, consisting of a four-lane divided road in Stafford County from U.S.*  
 191 *Route 1 in Stafford County extending east to a point near the Potomac River.*

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

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

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

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

210 (6) The term "cost of project," as applied to a project to be constructed, embraces the cost of  
 211 construction, the cost of all lands, properties, rights, easements and franchises acquired which are  
 212 deemed necessary for such construction, the cost of acquiring by purchase or condemnation any ferry  
 213 which is deemed by the Board to be competitive with any bridge to be constructed, the cost of all  
 214 machinery and equipment, financing charges, interest prior to and during construction and for one year  
 215 after completion of construction, cost of traffic estimates and of engineering data, engineering and legal  
 216 expenses, cost of plans, specifications and surveys, estimates of cost and of revenues, other expenses  
 217 necessary or incident to determining the feasibility or practicability of the enterprise, administrative  
 218 expense and such other expenses as may be necessary or incident to the financing herein authorized, the  
 219 construction of the project, the placing of the project in operation and the condemnation of property  
 220 necessary for such construction and operation.

221 (7) The word "owner" includes all individuals, incorporated companies, copartnerships, societies or  
 222 associations having any title or interest in any property rights, easements or franchises authorized to be  
 223 acquired by this article.

224 (8) [Repealed.]

225 (9) The words "revenue" and "revenues" include tolls and any other moneys received or pledged by  
 226 the Board pursuant to this article, including, without limitation, legally available Trust Fund revenues.

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

229 § 33.1-269. General powers of Board.

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

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

233 2. Issue revenue bonds of the Commonwealth, to be known and designated as "Commonwealth of  
 234 Virginia Toll Revenue Bonds," payable *first* from (i) earnings; (ii) *to the extent required, revenues*  
 235 *received pursuant to a contract with a local jurisdiction, or any alternative mechanism for generating*  
 236 *local revenue for such purpose, that is satisfactory to the Commonwealth Transportation Board; and*  
 237 ~~from~~ (iii) any other available sources of funds, to pay the cost of such projects;

238 3. Subject to the limitations and approvals of § 33.1-279.1, issue revenue bonds of the  
 239 Commonwealth to be known and designated as "Commonwealth of Virginia Transportation Contract  
 240 Revenue Bonds," secured by Transportation Trust Fund revenues under a payment agreement between  
 241 the Board and the Treasury Board, subject to their appropriation by the General Assembly and payable  
 242 first from revenues received pursuant to contracts with a primary highway transportation improvement  
 243 district or transportation service district or other local revenue sources for which specific funding of any  
 244 such bonds may be authorized by law; second, to the extent required, from funds appropriated and

245 allocated, pursuant to the highway allocation formula as provided by law, to the highway construction  
 246 district in which the project or projects to be financed are located or to the county or counties in which  
 247 the project or projects to be financed are located; and third, to the extent required, from other legally  
 248 available revenues of the Trust Fund and from any other available source of funds;

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

254 4a. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of  
 255 Virginia Transportation Revenue Bonds," secured, subject to their appropriation by the General  
 256 Assembly, first from (i) revenues received from the Northern Virginia Transportation District Fund, (ii)  
 257 to the extent required, funds appropriated and allocated, pursuant to the highway allocation formula as  
 258 provided by law, to the highway construction district in which the project or projects to be financed are  
 259 located or to the city or county in which the project or projects to be financed are located, (iii) to the  
 260 extent required, legally available revenues of the Transportation Trust Fund, and (iv) such other funds  
 261 which may be appropriated by the General Assembly;

262 4b. Issue revenue bonds of the Commonwealth to be known and designated as "Commonwealth of  
 263 Virginia Transportation Program Revenue Bonds" secured, subject to their appropriation by the General  
 264 Assembly, first from (i) any revenues received from any Set-aside Fund established by the General  
 265 Assembly pursuant to § 58.1-816.1, (ii) to the extent required, revenues received pursuant to any  
 266 contract with a local jurisdiction or any alternative mechanism for generation of local revenues for  
 267 specific funding of a project satisfactory to the Commonwealth Transportation Board, (iii) to the extent  
 268 required, funds appropriated and allocated, pursuant to the highway allocation formula as provided by  
 269 law, to the highway construction district in which the project or projects to be financed are located or to  
 270 the city or county in which the project or projects to be financed are located, (iv) to the extent required,  
 271 legally available revenues of the Transportation Trust Fund, and (v) such other funds which may be  
 272 appropriated by the General Assembly. No bonds for any project or projects shall be issued under the  
 273 authority of this subsection unless such project or projects are specifically included in a bill or resolution  
 274 passed by the General Assembly;

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

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

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

290 8. Make reasonable regulations for the installation, construction, maintenance, repair, renewal and  
 291 relocation of pipes, mains, sewers, conduits, cables, wires, towers, poles and other equipment and  
 292 appliances, herein called "public utility facilities," of the Commonwealth and of any municipality,  
 293 county, or other political subdivision or public utility or public service corporation owning or operating  
 294 the same in, on, along, over or under the project. Whenever the Board determines that it is necessary  
 295 that any such public utility facilities should be relocated or removed, the Commonwealth or such  
 296 municipality, county, political subdivision, public utility or public service corporation shall relocate or  
 297 remove the same in accordance with the order of the Board; however, the cost and expense of such  
 298 relocation or removal, including the cost of installing such public utility facilities in a new location or  
 299 locations, and the cost of any lands or any rights or interests in lands, and any other rights acquired to  
 300 accomplish such relocation or removal shall be ascertained and paid by the Board as a part of the cost  
 301 of the project. The Commonwealth or such municipality, county, political subdivision, public utility or  
 302 public service corporation may maintain and operate such public utility facilities with the necessary  
 303 appurtenances, in the new location or locations, for as long a period and upon the same terms and  
 304 conditions as it had the right to maintain and operate such public utility facilities in their former location  
 305 or locations;

306 9. Acquire by the exercise of the power of eminent domain any lands, property, rights, rights-of-way,  
307 franchises, easements and other property, including public lands, parks, playgrounds, reservations,  
308 highways or parkways, or parts thereof or rights therein, of any municipality, county or other political  
309 subdivision, deemed necessary or convenient for the construction or the efficient operation of the project  
310 or necessary in the restoration, replacement or relocation of public or private property damaged or  
311 destroyed.

312 The cost of such projects shall be paid solely from the proceeds of Commonwealth of Virginia Toll  
313 or Transportation Contract Revenue Bonds or a combination thereof or from such proceeds and from  
314 any grant or contribution which may be made thereto pursuant to the provisions of this article; and

315 10. Notwithstanding any provision of this article to the contrary, the Board shall be authorized to  
316 exercise the powers conferred herein, in addition to its general powers to acquire rights-of-way and to  
317 construct, operate and maintain state highways, with respect to any project which the General Assembly  
318 has authorized or may hereafter authorize to be financed in whole or in part through the issuance of  
319 bonds of the Commonwealth pursuant to the provisions of Section 9 (c) of Article X of the Constitution  
320 of Virginia.

321 § 33.1-277. Credit of Commonwealth not pledged.

322 A. Commonwealth of Virginia Toll Revenue Bonds issued under the provisions of this article shall  
323 not be deemed to constitute a debt of the Commonwealth of Virginia or a pledge of the faith and credit  
324 of the Commonwealth, but such bonds shall be payable solely from the funds herein provided therefor  
325 *first from (i) tolls and revenues; from; (ii) to the extent required, revenues received pursuant to a*  
326 *contract with a local jurisdiction, or any alternative mechanism for generating local revenue for such*  
327 *purpose, that is satisfactory to the Commonwealth Transportation Board; (iii) bond proceeds or earnings*  
328 *thereon; and from (iv) any other available sources of funds. All such bonds shall state on their face that*  
329 *the Commonwealth of Virginia is not obligated to pay the same or the interest thereon except from the*  
330 *special fund provided therefor from tolls and revenues under this article, from bond proceeds or earnings*  
331 *thereon and from any other available sources of funds and that the faith and credit of the*  
332 *Commonwealth are not pledged to the payment of the principal or interest of such bonds. The issuance*  
333 *of such revenue bonds under the provisions of this article shall not directly or indirectly or contingently*  
334 *obligate the Commonwealth to levy or to pledge any form of taxation whatever therefor or to make any*  
335 *appropriation for their payment, other than appropriate available funds derived as revenues from tolls*  
336 *and charges under this article or derived from bond proceeds or earnings thereon and from any other*  
337 *available sources of funds.*

338 B. Commonwealth of Virginia Transportation Contract Revenue Bonds issued under the provisions of  
339 this article shall not be deemed to constitute a debt of the Commonwealth of Virginia or a pledge of the  
340 faith and credit of the Commonwealth, but such bonds shall be payable solely from the funds herein  
341 provided therefor (i) from revenues received pursuant to contracts with a primary highway transportation  
342 district or transportation service district or any other alternative mechanism for generation of local  
343 revenues for specific funding of a project satisfactory to the Commonwealth Transportation Board, (ii) to  
344 the extent required, from funds appropriated and allocated, pursuant to the highway allocation formula as  
345 provided by law, to the highway construction district in which the project or projects to be financed are  
346 located or to the county or counties in which such project or projects are located, (iii) from bond  
347 proceeds or earnings thereon, (iv) to the extent required, from other legally available revenues of the  
348 Trust Fund, and (v) from any other available source of funds. All such bonds shall state on their face  
349 that the Commonwealth of Virginia is not obligated to pay the same or the interest thereon except from  
350 revenues in clauses (i) and (iii) hereof and that the faith and credit of the Commonwealth are not  
351 pledged to the payment of the principal and interest of such bonds. The issuance of such revenue bonds  
352 under the provisions of this article shall not directly or indirectly or contingently obligate the  
353 Commonwealth to levy or to pledge any form of taxation whatever or to make any appropriation for  
354 their payment, other than to appropriate available funds derived as revenues under this article from the  
355 sources set forth in clauses (i) and (iii) hereof. Nothing in this article shall be construed to obligate the  
356 General Assembly to make any appropriation of the funds set forth in clause (ii) or (iv) hereof for  
357 payment of such bonds.

358 C. Commonwealth of Virginia Transportation Revenue Bonds issued under the provisions of this  
359 article shall not be deemed to constitute a debt of the Commonwealth of Virginia or a pledge of the full  
360 faith and credit of the Commonwealth, but such bonds shall be payable solely from the funds herein  
361 provided therefor (i) from revenues received from the U.S. Route 58 Corridor Development Fund,  
362 subject to their appropriation by the General Assembly, (ii) to the extent required, from revenues legally  
363 available from the Transportation Trust Fund and (iii) to the extent required, from any other legally  
364 available funds which shall have been appropriated by the General Assembly.

365 D. Commonwealth of Virginia Transportation Revenue Bonds issued under this article for Category 1  
366 projects as provided in subdivision (2) (s) of § 33.1-268 shall not be deemed to constitute a debt of the  
367 Commonwealth of Virginia or a pledge of the faith and credit of the Commonwealth. Such bonds shall

368 be payable solely, subject to their appropriation by the General Assembly, first from (i) revenues  
369 received from the Northern Virginia Transportation District Fund, (ii) to the extent required, funds  
370 appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the  
371 highway construction district in which the project or projects to be financed are located or to the city or  
372 county in which the project or projects to be financed are located, (iii) to the extent required, legally  
373 available revenues of the Transportation Trust Fund, and (iv) such other funds which may be  
374 appropriated by the General Assembly.

375 E. Commonwealth of Virginia Transportation Program Revenue Bonds issued under this article for  
376 projects defined in subdivision (2) (t) of § 33.1-268 shall not be deemed to constitute a debt of the  
377 Commonwealth or a pledge of the faith and credit of the Commonwealth. Such bonds shall be payable  
378 solely, subject to their appropriation by the General Assembly, first from (i) any revenues received from  
379 any Set-aside Fund established by the General Assembly pursuant to § 58.1-816.1, (ii) to the extent  
380 required, revenues received pursuant to any contract with a local jurisdiction or any alternative  
381 mechanism for generation of local revenues for specific funding of a project satisfactory to the  
382 Commonwealth Transportation Board, (iii) to the extent required, funds appropriated and allocated,  
383 pursuant to the highway allocation formula as provided by law, to the highway construction district in  
384 which the project or projects to be financed are located or to the city or county in which the project or  
385 projects to be financed are located, (iv) to the extent required, legally available revenues from the  
386 Transportation Trust Fund, and (v) such other funds which may be appropriated by the General  
387 Assembly.

**INTRODUCED**

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