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## SENATE BILL NO. 566

Offered January 26, 1998

*A BILL to amend and reenact §§ 33.1-221.1:3 and 58.1-815.1 of the Code of Virginia and § 2 of the Chapter 391 of the Acts of Assembly of 1993, as amended by Chapters 470 and 597 of the Acts of Assembly of 1994, relating to the Northern Virginia Transportation District Program; the issuance of bonds to finance the costs of such program; the Northern Virginia Transportation District Fund; the use of such fund to pay debt service; the amendments thereto relating to increasing the principal amount of bonds authorized to be issued to \$361,900,000 and redesignating the projects qualifying for such financing and the amounts allocated to each such project.*

Patrons—Colgan, Barry, Gartlan, Howell, Mims, Saslaw and Woods; Delegates: Albo, Callahan, Devolites, Dillard, Hull, Keating, Marshall, May, McClure, McQuigg, O'Brien, Parrish, Plum, Puller, Rollison, Rust, Scott and Watts

Referred to the Committee on Finance

**Be it enacted by the General Assembly of Virginia:****1. That §§ 33.1-221.1:3 and 58.1-815.1 are amended and reenacted as follows:**

§ 33.1-221.1:3. Northern Virginia Transportation District Program.

A. The General Assembly declares it to be in the public interest that the economic development needs and economic growth potential of Northern Virginia be addressed by a special transportation program to provide for the costs of providing an adequate, modern, safe and efficient transportation network in Northern Virginia which shall be known as the Northern Virginia Transportation District Program (the Program), including, without limitation, environmental and engineering studies, rights-of-way acquisition, construction, improvements to all modes of transportation, and financing costs. The Program consists of the following projects: the Fairfax County Parkway, Route 234 Bypass, Metro Capital Improvements, including the Franconia-Springfield Metrorail Station *and new rail car purchases*, Route 7 improvements in Loudoun County between Route 15 and Route 28, ~~and the Route 50/Courthouse Road interchange improvements in Arlington County, the Route 28/Route 625 interchange improvements in Loudoun County, and the King Street Metrorail Station access improvements in the City of Alexandria.~~

B. Allocations to this Program from the Northern Virginia Transportation District Fund established by § 58.1-815.1 shall be made annually by the Commonwealth Transportation Board for the creation and enhancement of a safe, efficient transportation system connecting the communities, businesses, places of employment, and residences of the Commonwealth, thereby enhancing the economic development potential, employment opportunities, mobility and quality of life in Virginia.

C. Except in the event that the Northern Virginia Transportation District Fund is insufficient to pay for the costs of the Program, allocations to the Program shall not diminish or replace allocations made from other sources or diminish allocations to which any district, system, or locality would be entitled under other provisions of this title, but shall be supplemental to other allocations to the end that transportation improvements in the Northern Virginia Transportation District may be accelerated and augmented. Allocations under this subsection shall be limited to projects specified in § 33.1-268 (2) (s).

D. The Commonwealth Transportation Board may expend such funds from all sources as may be lawfully available to initiate the Program and to support bonds and other obligations referenced in subsection E of this section.

E. The Commonwealth Transportation Board is authorized to receive, dedicate or use first from (i) revenues received from the Northern Virginia Transportation District Fund, (ii) to the extent required, funds appropriated and allocated, pursuant to the highway allocation formula as provided by law, to the highway construction district in which the project or projects to be financed are located or to the city or county in which the project or projects to be financed are located, (iii) to the extent required, legally available revenues of the Transportation Trust Fund, and (iv) such other funds which may be appropriated by the General Assembly for the payment of bonds or other obligations, including interest thereon, issued in furtherance of the Program. No such bond or other obligations shall pledge the full faith and credit of the Commonwealth.

§ 58.1-815.1. Northern Virginia Transportation District Fund.

A. There is hereby created in the Department of the Treasury a special nonreverting fund which shall be a part of the Transportation Trust Fund and which shall be known as the Northern Virginia Transportation District Fund, consisting of transfers pursuant to § 58.1-816 of annual collections of the state recordation taxes attributable to the Cities of Alexandria, Fairfax, Falls Church, Manassas, and

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60 Manassas Park and the Counties of Arlington, Fairfax, Loudoun, and Prince William; however, this  
 61 dedication shall not affect the local recordation taxes under §§ 58.1-802 B and 58.1-814. The Fund shall  
 62 also include ~~such other~~ *any public rights-of-way use fees and any other* funds as may be appropriated by  
 63 the General Assembly from time to time and designated for this Fund and all interest, dividends and  
 64 appreciation which may accrue thereto. Any moneys remaining in the Fund at the end of a biennium  
 65 shall not revert to the general fund, but shall remain in the Fund, subject to the determination by the  
 66 Commonwealth Transportation Board that a Category 2 or 3 project or projects may be funded.

67 B. Allocations from this Fund may be paid (i) to any authority, locality or commission for the  
 68 purposes of paying the costs of the Northern Virginia Transportation District Program which consists of  
 69 the following: the Fairfax County Parkway, Route 234 Bypass, Metro Capital Improvements, including  
 70 the Franconia-Springfield Metrorail Station *and new rail car purchases*, Route 7 improvements in  
 71 Loudoun County between Route 15 and Route 28, ~~and the~~ Route 50/Courthouse Road interchange  
 72 improvements in Arlington County, *the Route 28/Route 625 interchange improvements in Loudoun*  
 73 *County, and the King Street Metrorail Station access improvements in the City of Alexandria*, and (ii)  
 74 for Category 34 projects as provided in § 2 of the act or acts authorizing the issuance of Bonds for the  
 75 Northern Virginia Transportation District Program.

76 C. On or before July 15, 1994, \$19 million shall be transferred to the Fund. Such transfer shall be  
 77 made by the issuance of a treasury loan at no interest in the amount of \$19 million in the event such an  
 78 amount is not included for the Fund in the general appropriation act enacted by the 1994 Session of the  
 79 General Assembly. Such treasury loan shall be repaid from the Commonwealth's portion of the state  
 80 recordation tax imposed by Chapter 8 (§ 58.1-800 et seq.) of Title 58.1 designated for the Fund by this  
 81 section and § 58.1-816.

82 **2. That § 2 of the Chapter 391 of the Acts of Assembly of 1993, as amended by Chapters 470 and**  
 83 **597 of the Acts of Assembly of 1994, is amended and reenacted as follows:**

84 § 2. The Commonwealth Transportation Board is hereby authorized, by and with the consent of the  
 85 Governor, to issue, pursuant to the provisions of §§ 33.1-267 through 33.1-295, at one time or from time  
 86 to time, bonds of the Commonwealth to be designated "Commonwealth of Virginia Transportation  
 87 Revenue Bonds, Series .....", in an aggregate principal amount not exceeding ~~\$271,000,000~~ *\$361,900,000*  
 88 to finance the cost of the projects plus an amount for the issuance costs, capitalized interest, reserve  
 89 funds, and other financing expenses (the "Bonds"). The proceeds of the Bonds shall be used exclusively  
 90 for the purpose of providing funds, with any other available funds, for paying the costs incurred or to be  
 91 incurred for construction or funding of the projects which comprise the Northern Virginia Transportation  
 92 District Program as hereinafter defined and as established in Article 5 (§ 33.1-267 et seq.) of Chapter 3  
 93 of Title 33.1, consisting of environmental and engineering studies, rights-of-way acquisition,  
 94 improvements to all modes of transportation, construction and related improvements (the "projects").  
 95 Such costs may include the payment of interest on the Bonds for a period during construction and not  
 96 exceeding one year after completion of construction of the projects.

97 The projects shall be classified as Category 1, Category 2 ~~and~~, Category 3, *and Category 4* projects,  
 98 each category being subject to different preconditions. Bonds to finance the cost of Category 1 *and*  
 99 *Category 3* projects may be issued by the Commonwealth Transportation Board. Bonds to finance the  
 100 cost of Category 2 projects may be issued by the Commonwealth Transportation Board only if the  
 101 aggregate principal amount of \$261,000,000 in bonds has been issued to finance the cost of Category 1  
 102 projects. Category 34 projects shall not be financed through the issuance of bonds; however, after all  
 103 Bonds authorized have been issued, then to the extent the Northern Virginia Transportation District Fund  
 104 contains amounts in excess of the amount needed to pay annual debt service on such Bonds in a  
 105 particular fiscal year, such excess amounts may be expended to pay the cost of the work identified as  
 106 Category 34 projects.

107 The projects, and the amount of bonds authorized to be issued for each such project, are as follows  
 108 and constitute the Northern Virginia Transportation District Program:

109	Category 1 projects	Bond amount
110		
111	Metro Capital Improvements,	
112	including the	
113	Franconia-Springfield	
114	Metrorail Station	\$ 85,600,000
115	Fairfax County Parkway	\$ 87,000,000
116	Route 234 Bypass	\$ 73,400,000
117	Route 7 improvements between	
118	Route 15 and Route 28 in	
119	Loudoun County	\$ 15,000,000
120		

121  
122 Total \$261,000,000

123  
124 Category 2 projects consist of the Route 50/Courthouse Road interchange improvements in Arlington  
125 County, in the amount of \$10,000,000.

126  
127 Category 3 projects Bond amount

128  
129 Fairfax County Parkway --

130 Partially-funded segments  
131 between Route 1 and Route 7 \$50,000,000

132 Route 234 Bypass from  
133 Route 28 to Route 234 \$15,300,000

134 Route 28/Route 625  
135 interchange \$ 7,900,000

136 King Street Metrorail  
137 Station access improvements \$ 4,400,000

138 Metrorail Capital  
139 Improvements, including  
140 new rail car purchases \$13,300,000

141  
142 Total \$90,900,000

143  
144 The work identified as Category 34 projects to be funded from the Northern Virginia Transportation  
145 District Fund, to the extent there are sums in excess of the amount needed to pay debt service on the  
146 Bonds in a given fiscal year, is as follows:

147 Category 34 projects

148 Such projects as may be concurred in by the local jurisdictions participating in the Northern Virginia  
149 Transportation District Program, as evidenced by resolutions adopted by an affirmative vote of a  
150 majority of the jurisdictions participating in the Northern Virginia Transportation District Program and  
151 subject to such guidelines and conditions as may be promulgated by the Commonwealth Transportation  
152 Board.

153 The Bonds shall be issued by the Commonwealth Transportation Board and sold through the  
154 Treasury Board, which is hereby designated the sales and paying agent of the Commonwealth  
155 Transportation Board with respect to the Bonds. The Treasury Board's duties shall include the approval  
156 of the terms and structure of the Bonds. In the event the aggregate principal amount of the issuance, for  
157 the projects and amounts authorized by the 1994 amendments to Chapter 391 of the Acts of Assembly  
158 of 1993, is less than \$127,000,000, the Commonwealth Transportation Board shall cause each Category  
159 1 project to be shared in the reduced issuance by reducing the proceeds of the Bonds for each of the  
160 Category 1 projects on a pro rata basis. For purposes of making such computation, the 1993 issuance of  
161 Bonds and the amount of bond proceeds allocated to each Category 1 project in 1993 shall be  
162 disregarded. *In the event the aggregate principal amount of the issuance for Category 3 projects is less*  
163 *than \$90,900,000, the Commonwealth Transportation Board shall cause each Category 3 project to be*  
164 *shared in the reduced issuance by reducing the proceeds of the Bonds for each of the Category 3*  
165 *projects on a pro rata basis.*

166 **3. That if any part of this act or the application thereof to any person or circumstance is held**  
167 **invalid by a court of competent jurisdiction, such holding shall not affect the validity of the**  
168 **remainder of the provisions or applications of the act which can be given effect without the invalid**  
169 **provision or application, and to this end the provisions of this act are severable.**