

992682204

HOUSE BILL NO. 2151

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Appropriations)

(Patron Prior to Substitute—Delegate Diamonstein)

House Amendments in [] — February 9, 1999

A Bill authorizing the issuance of Commonwealth of Virginia Cultural Facilities Bonds in an amount not exceeding [~~\$87,100,000~~ \$90,100,000] for the purpose of providing funds for paying, together with any other available funds, the cost of constructing, maintaining, restoring, repairing, improving, and refurbishing the physical plants, including incidental equipment, of cultural, historic, artistic and educational facilities; authorizing the Treasury Board, by and with the consent of the Governor, to fix the details of such bonds and to provide for their sale at public or private sale; authorizing the Treasury Board, by and with the consent of the Governor, to borrow money in anticipation of the issuance of the bonds; authorizing the issuance of refunding bonds, by and with the consent of the Governor; providing for the pledge of the full faith and credit of the Commonwealth for the payment of the principal of and interest on the bonds and any bond anticipation notes or refunding bonds; providing that the bonds shall be exempt from all taxation by the Commonwealth and any political subdivision thereof; and providing that this act shall not become effective and that no bonds shall be issued hereunder unless this act is approved by a majority of the qualified voters of the Commonwealth voting thereon at an election, as required by Article X, Section 9 (b) of the Constitution of Virginia.

Whereas, cultural, historic, artistic, and educational facilities are vital to the Commonwealth; and Whereas, the Commonwealth has many cultural, historic, artistic, and educational facilities; and Whereas, these cultural, historic, artistic, and educational facilities provide educational opportunities for the children and citizens of the Commonwealth; and

Whereas, these cultural, historic, artistic, and educational facilities lack adequate funding; now, therefore

Be it enacted by the General Assembly of Virginia:

1. § 1. *This act shall be known and may be cited as the "Commonwealth of Virginia Cultural Facilities Bond Act of 1999."*

§ 2. *Subject to a favorable vote of a majority of the qualified voters voting on this act at the November 2, 1999, general election as hereinafter provided, the Treasury Board is hereby authorized, by and with the consent of the Governor, to sell and issue, at one time or from time to time, bonds of the Commonwealth, to be designated "Commonwealth of Virginia Cultural Facilities Bonds, Series...", in an aggregate principal amount not exceeding [~~\$87,100,000~~ \$90,100,000]. The proceeds of the bonds, excluding amounts needed to pay issuance costs and other financing expenses, shall be used as provided in § 6 hereof, without limitation, for the purpose of providing funds for paying, together with any other available funds, the cost of constructing, maintaining, restoring, repairing, improving, renovating, and refurbishing the physical plants, including incidental equipment, of cultural, historic, artistic and educational facilities as follows:*

Facility	1998-2000
Amazement Square in Lynchburg	\$ 1,000,000
Artisans Center of Virginia at Waynesboro	\$ 1,000,000
Barksdale Theatre	\$ 500,000
Black History Museum	\$ 1,000,000
Blue Ridge Zoological Park	\$ 500,000
Center in the Square	\$ 1,000,000
Chesapeake Arts Center	\$ 1,000,000
Children's Museum of Richmond	\$ 2,000,000

ENGROSSED

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58	<i>Children's Museum of Virginia</i>	\$ 3,000,000
59		
60	<i>Chrysler Museum</i>	\$ 1,000,000
61		
62	<i>Constant's Wharf, City of Suffolk</i>	\$ 2,000,000
63		
64	<i>Crispus Attucks Cultural Center</i>	\$ 1,000,000
65		
66	<i>Downing-Gross Cultural Center</i>	\$ 1,500,000
67		
68	<i>Fairfax County Museum of History and Technology</i>	\$ 1,000,000
69		
70	<i>Hampton History Museum</i>	\$ 2,000,000
71		
72	<i>Hampton University-Raytheon Aerospace Center</i>	\$ 1,000,000
73		
74	<i>[Henricus Historical Park</i>	\$ 3,000,000]
75		
76	<i>Holiday Lake 4-H Center</i>	\$ 1,000,000
77		
78	<i>Holocaust Museum</i>	\$ 1,000,000
79		
80	<i>John Marshall House</i>	\$ 600,000
81		
82	<i>Kenmore</i>	\$ 1,000,000
83		
84	<i>Lynchburg Academy of Music</i>	\$ 500,000
85		
86	<i>Maggie Walker Building</i>	\$ 5,000,000
87		
88	<i>Marine Observation Tower and Oriental Garden</i>	\$ 500,000
89		
90	<i>Mariners Museum</i>	\$ 2,000,000
91		
92	<i>Matthew Fontaine Maury Center</i>	\$ 1,000,000
93		
94	<i>Maymont Foundation</i>	\$ 2,000,000
95		
96	<i>Montpelier</i>	\$ 1,000,000
97		
98	<i>Morotock Center Foundation, Inc.</i>	\$ 2,000,000
99		
100	<i>National D-Day Museum Foundation, Inc.</i>	\$ 2,000,000
101		
102	<i>Peninsula Fine Arts Center</i>	\$ 2,000,000
103		
104	<i>Phoebus Art Center</i>	\$ 500,000
105		
106	<i>Poplar Forest</i>	\$ 1,000,000
107		
108	<i>Richmond Ballet</i>	\$ 1,000,000
109		
110	<i>Richmond Historic Riverfront Canal Walk</i>	\$ 1,000,000
111		
112	<i>Robert E. Lee Memorial Foundation for Stratford Hall</i>	\$ 1,000,000
113		
114	<i>Schooner Virginia Project</i>	\$ 3,500,000

115		
116	Science Museum of Virginia	\$ 4,000,000
117		
118	Science Museum of Western Virginia	\$ 1,000,000
119		
120	Theatre Four	\$ 1,000,000
121		
122	Virginia Air and Space Center	\$ 1,000,000
123		
124	Virginia Living Museum	\$ 4,000,000
125		
126	Virginia Marine Science Museum	\$ 2,000,000
127		
128	Virginia Museum of Fine Arts	\$ 5,000,000
129		
130	Virginia Museum of Natural History	\$10,000,000
131		
132	Virginia Museum of Transportation	\$ 500,000
133		
134	Virginia Quality Life	\$ 1,000,000
135		
136	Virginia Recreational Facilities Authority	\$ 1,000,000
137		
138	Virginia Zoological Park	\$ 3,000,000
139		
140	Warren County Courthouse	\$ 500,000
141		
142	Wolf Trap Foundation for the Performing Arts	\$ 2,000,000
143		
144	Woodrow Wilson Birthplace Foundation	\$ 1,000,000
145		
146	Total	[\$87,100,000
147		
148		\$90,100,000]
149		

150 The General Assembly hereby finds and determines that the estimated useful life of the facilities
 151 listed above is in excess of twenty-five years.

152 Upon the request of the governing board of an institution listed above, the Governor or the
 153 Governor's designee may increase or decrease the allocation to any capital project for such institution,
 154 within the total amount allocated to capital projects included herein. To the extent that the cost of any
 155 capital project is less than the amount allocated to such capital project, the Governor or the Governor's
 156 designee may increase the amount allocated to any other project included herein. No allocation to a
 157 capital project may be increased until it has been demonstrated, to the satisfaction of the Governor or
 158 the Governor's designee, that (i) the cost of the capital project has been reduced to the extent
 159 reasonable, (ii) the capital project has not been expanded or enhanced beyond that originally approved,
 160 and (iii) the capital project is suitable and adequate for the scope originally intended. No increase in
 161 the amount allocated to any capital project shall constitute authorization for the issuance of bonds in an
 162 amount in excess of the aggregate authorized hereunder.

163 § 3. The bonds shall be dated, shall mature at such time or times not exceeding twenty-five years
 164 from their date or dates and may be made redeemable before their maturity or maturities at such price
 165 or prices, all as may be determined by the Treasury Board, by and with the consent of the Governor.
 166 The bonds shall be in such form; shall bear interest at a rate or rates, either at fixed rates or at rates
 167 established by formula or other method; and may contain such other provisions, all as determined by
 168 the Treasury Board or the State Treasurer, when authorized by the Treasury Board. The principal of,
 169 premium, if any, and interest on the bonds shall be payable in lawful money of the United States of
 170 America. The Treasury Board shall fix the denomination or denominations of the bonds and the place or
 171 places for payment of the principal, premium, if any, and interest, which may be at the office of the
 172 State Treasurer or at any one or more banks or trust companies within or without the Commonwealth.

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

175 The Treasury Board may sell the bonds in such manner, either at public or private sale, and for
176 such price as it may determine, by and with the consent of the Governor, to be in the best interests of
177 the Commonwealth.

178 The "Commonwealth of Virginia Cultural Facilities Bonds, Series...", authorized hereby may be
179 issued at one time or in part from time to time or may, in the discretion of the Treasury Board, be
180 issued and sold at the same time with any general obligation bonds of the Commonwealth authorized
181 pursuant to Article X, Section 9 (a) (3), (b), or (c) of the Constitution of Virginia, to be designated
182 "Commonwealth of Virginia General Obligation Bonds, Series...", either as separate issues or combined
183 issues.

184 § 4. The bonds shall be signed on behalf of the Commonwealth by the Governor or shall bear his
185 facsimile signature and by the State Treasurer or shall bear his facsimile signature and shall bear the
186 lesser seal of the Commonwealth or a facsimile thereof. In the event that the bonds bear the facsimile
187 signature of the State Treasurer, the bonds shall be signed by such administrative assistant or
188 authenticated by such agent as may be appointed by the State Treasurer. In case any officer whose
189 signature or facsimile of whose signature appears on any bonds ceases to be such officer before the
190 delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all
191 purposes the same as if he had remained in office until such delivery. Any bond may bear the facsimile
192 signature of, or may be signed by, such persons as at the actual time of the execution of such bond are
193 the proper officers to sign such bond although at the date of such bond such persons may not have been
194 such officers.

195 § 5. The Treasury Board is hereby authorized, by and with the consent of the Governor, to borrow
196 money in anticipation of the issuance of the bonds. Such bond anticipation notes shall be dated, shall
197 mature at such time or times not exceeding five years from their date or dates, and may be redeemable
198 before their maturity or maturities at such price or prices, all as may be determined by the Treasury
199 Board, by and with the consent of the Governor. The bond anticipation notes shall be in such form;
200 shall bear interest at such rate or rates, either at fixed rates or at rates established by formula or other
201 method; and may contain such other provisions, all as determined by the Treasury Board or the State
202 Treasurer, when authorized by the Treasury Board. Such bond anticipation notes shall be executed in
203 the manner provided in § 4 hereof.

204 § 6. Proceeds (including any premium) of the bonds (except the proceeds of bonds the issuance of
205 which has been anticipated by bond anticipation notes) and proceeds of any bond anticipation notes
206 shall be placed by the State Treasurer in a special capital outlay fund in the State Treasury and shall
207 be disbursed only for the purpose for which the bonds and any bond anticipation notes have been
208 issued. In the event that the proceeds of the bonds exceed the cost of the projects specified herein, the
209 Treasury Board shall cause such excess proceeds to be deposited in the sinking fund hereinafter created.
210 The proceeds of the bonds, the issuance of which has been anticipated by bond anticipation notes, shall
211 be used to pay such bond anticipation notes. Funds provided by the General Assembly, or from any
212 other source, for the payment of the principal of, premium, if any, and interest on the bonds, the
213 issuance of which has been anticipated by bond anticipation notes, shall be used to pay the principal of,
214 premium, if any, and interest on any bond anticipation notes.

215 § 7. The Treasury Board is authorized, by and with the consent of the Governor, to sell and issue, at
216 one time or from time to time, refunding bonds of the Commonwealth, to be designated "Commonwealth
217 of Virginia Cultural Facilities Refunding Bonds, Series...", to refund any or all of the bonds issued
218 under this act. No refunding bonds shall be issued in a principal amount exceeding that necessary to
219 amortize the principal of, premium, if any, and interest on the bonds to be refunded and to pay all
220 issuance costs and other financing expenses of the refunding bonds. Such refunding bonds may be issued
221 whether or not the bonds to be refunded are then subject to redemption. Such refunding bonds shall be
222 issued and sold in the manner and subject to the limitations prescribed in § 3 for the issuance and sale
223 of bonds and shall be executed in the manner provided in § 4 for the execution of bonds.

224 The "Commonwealth of Virginia Cultural Facilities Refunding Bonds, Series...", authorized hereby
225 may be issued at one time or in part from time to time or may, in the discretion of the Treasury Board,
226 be issued and sold at the same time with any general obligation bonds of the Commonwealth authorized
227 pursuant to Article X, Section 9 (a) (3), (b), or (c) of the Constitution of Virginia, to be designated
228 "Commonwealth of Virginia General Obligation Bonds, Series ...," either as separate issues or combined
229 issues.

230 § 8. The proceeds of the refunding bonds shall be applied to (i) the payment of issuance costs and
231 other financing expenses; (ii) the payment of matured or redeemable bonds, including any redemption
232 premium; (iii) the payment of unmatured bonds which shall then be on deposit with a bank or trust
233 company for surrender to the Commonwealth upon receipt therefor of a sum not exceeding the amount
234 due on such bonds; or (iv) the establishment of an escrow or sinking fund consisting of cash and

noncallable obligations of, or unconditionally guaranteed as to payment of principal and interest in full by, the United States of America in an amount which together with interest to be earned on such obligations will be sufficient to pay all bonds to be refunded either at maturity or upon redemption, all as provided for upon the creation of such sinking fund. Any escrow or sinking fund established with the proceeds from the sale of any refunding bonds shall be irrevocably pledged to the payment of the bonds to be refunded, and shall be used solely to pay such bonds at maturity or upon redemption or for the purchase of not less than all of the bonds to be refunded. Any such escrow or sinking fund shall constitute a special fund for the payment of such refunded bonds, and such refunded bonds, to the extent of the amount set aside for the payment thereof in such sinking fund, shall not be included for the purposes of determining any limitations upon the amount of bonded indebtedness of the Commonwealth that may be incurred pursuant to of Article X, Section 9 (b) of the Constitution of Virginia.

§ 9. The proceeds of the bonds and any refunding bonds or bond anticipation notes are hereby appropriated for disbursement from the State Treasury for the current biennium pursuant to Article X, Section 7 of the Constitution of Virginia, and § 2.1-224 of the Code of Virginia. The general conditions and general provisions of the general appropriation act enacted pursuant to Chapter 27 (§ 2.1-387 et seq.) of Title 2.1 of the Code of Virginia, in effect from time to time, and all of the terms and conditions contained therein shall apply to the capital projects listed in § 2. The Governor or his designee is hereby authorized to increase the appropriation for any project listed in § 2 by the amount of the proceeds of donations, gifts, grants or other nongeneral funds paid into the State Treasury in excess of such appropriation.

§ 10. Pending the application of the proceeds of the bonds or any bond anticipation notes to the purpose for which they have been authorized, all or any part of such proceeds may be invested by the State Treasurer in securities that are legal investments under the laws of the Commonwealth for public funds. Whenever the State Treasurer receives interest from the investment of the proceeds of the bonds or any bond anticipation notes, such interest shall become a part of the principal of the bonds or any bond anticipation notes and shall be used in the same manner as required for the principal of the bonds or any bond anticipation notes. However, the Treasury Board may direct that the interest received from the investment of proceeds of the bonds or any bond anticipation notes be transferred to the general fund of the State Treasury.

§ 11. The full faith and credit of the Commonwealth is hereby irrevocably pledged for the payment of the principal of and the interest on the bonds and any refunding bonds herein authorized. The proceeds of the bonds, the issuance of which has been anticipated by bond anticipation notes, are hereby irrevocably pledged for the payment of the principal of and interest on such bond anticipation notes. In addition, the Treasury Board may pledge the full faith and credit of the Commonwealth for the payment of the principal of and interest on any bond anticipation notes. If sufficient funds are not appropriated in the budget for any fiscal year for the timely payment of the principal of and the interest on the bonds, any refunding bonds or any bond anticipation notes where the full faith and credit of the Commonwealth has been pledged, a sum sufficient to pay such principal and interest shall be set apart by direction of the Governor, from the first general fund revenues received during such fiscal year and thereafter.

In order to insure the payment of the principal of and the interest on the bonds or any refunding bonds, there is hereby created a sinking fund for such purposes in which there shall be deposited annually, beginning not later than one-tenth of the term of the bonds or refunding bonds, as the case may be, out of any available moneys in the general fund of the State Treasury, or from any other source, a sum sufficient to pay the principal of and the interest on the bonds becoming due in each year. In the event that any series of bonds or refunding bonds shall all become due in one year, there shall be deposited annually into such sinking fund, in addition to the amount necessary to pay the interest on the bonds or the refunding bonds, as the case may be, a sum sufficient for redeeming or paying all such bonds or the refunding bonds, as the case may be, by their stated maturity. The amounts of such annual deposits of principal shall be determined by the Treasury Board, by and with the consent of the Governor prior to the issuance of the bonds or the refunding bonds, as the case may be, provided that no annual deposit shall exceed the smallest previous annual deposit by more than 100 percent. Such sinking fund shall not be appropriated for any other purpose.

The moneys in such sinking fund shall be invested by the Treasury Board in accordance with the provisions of general law relating to the investment of sinking funds belonging to or within the control of the Commonwealth.

§ 12. To the extent not otherwise provided for, all expenses incurred under this act shall be paid from the proceeds of the bonds, any refunding bonds or bond anticipation notes, or from any other available funds as the Treasury Board shall determine.

§ 13. The interest on the bonds, any refunding bonds or bond anticipation notes shall at all times be exempt from taxation by the Commonwealth or by any political subdivision thereof. The interest on the

296 bonds, any refunding bonds or bond anticipation notes may be subject to inclusion in the gross income
297 of the holders thereof for federal income tax purposes.

298 § 14. The question of the effectiveness of this act and the authorization of the bonds shall be
299 submitted to the qualified voters of the Commonwealth at the general election to be held on November
300 2, 1999. Notice of the election shall be published at least twice, the first publication being at least
301 forty-five days before the election, in such newspapers designated by the State Board of Elections which
302 collectively circulate throughout the Commonwealth. The election shall be held; the ballots prepared,
303 distributed and voted; and the results thereof ascertained and certified, in accordance with Title 24.2 of
304 the Code of Virginia, relating to special elections. The ballots to be used at the election shall pose the
305 question in substantially the following form:

306 QUESTION: "Shall Chapter. . . of the Acts of the General Assembly of 1999, authorizing the
307 issuance of general obligation bonds of the Commonwealth of Virginia in the maximum amount of
308 \$87,100,000 pursuant to Article X, Section 9 (b) of the Constitution of Virginia for capital projects for
309 CULTURAL FACILITIES, take effect?"

310 ☐ Yes

311 ☐ No

312 The State Board of Elections shall cause to be sent to the electoral boards of each county and city
313 sufficient copies of the full text of this act and the question contained herein for the officers of election
314 to post in each polling place on election day. The State Board of Elections shall without delay make out
315 and transmit to the Governor and to the Treasury Board an official copy of the report of the whole
316 number of votes cast at the election for and against the act, certified by it.

317 If a majority of those voting thereon vote in favor of this act, this act shall take effect, and the bonds
318 may be issued as provided herein. If a majority of those voting thereon vote against this act, this act
319 shall not take effect, and the bonds shall not be issued.

320 The expenses incurred in conducting this election shall be defrayed as in the case of election of
321 members of the General Assembly.

322 § 15. The provisions of this act or the application thereof to any person or circumstance which are
323 held invalid shall not affect the validity of other provisions or applications of this act which can be
324 given effect without the invalid provisions or applications.

325 **2. That the Department of General Services shall modify its procedures as it deems necessary to**
326 **insure funding as set forth in this act for the nonstate agencies.**