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**HOUSE BILL NO. 1144**

Offered January 9, 2002

Prefiled January 9, 2002

*A BILL authorizing the issuance of Commonwealth of Virginia General Obligation Bonds in an amount not exceeding \$119,040,000 for the purpose of financing the cost of capital projects for parks and recreational facilities; authorizing the Treasury Board, by and with the consent of the Governor, to fix the details of such bonds and to provide for the sale of the bonds; 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 such obligations; providing that interest on such obligations 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.*

Patrons—Dillard, Almand, Amundson, Armstrong, Athey, Baskerville, Bland, Christian, Crittenden, Darner, Hull, Jones, D.C., McQuigg, Pollard, Scott, Shuler and Van Yahres

Referred to Committee on Finance

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

**1. § 1. Title.** *This act shall be known and may be cited as the "Commonwealth of Virginia Park and Recreational Facilities Bond Act of 2002."*

**§ 2. Authorization of Bonds and BANs.** *Subject to a favorable vote of a majority of the qualified voters voting on this act at the November 5, 2002, 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 Park and Recreational Facilities Bonds, Series...", in an aggregate principal amount not exceeding \$119,040,000. The Treasury Board is further authorized, by and with the consent of the Governor, to borrow money in anticipation of the issuance of the bonds by the issuance of bond anticipation notes ("BANs"), including BANs as commercial paper.*

**§ 3. Purpose; Projects.** *The proceeds of the bonds and BANs, excluding amounts needed to pay issuance costs and other financing expenses, shall be used as provided in § 4 hereof for capital projects for parks and recreational facilities as follows:*

**Park and Recreational Facilities**

Acquisition of land for Natural Area Preserves and Parks	30,000,000
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Construction of the following projects at existing state parks:

Park	Description of project	Amount
Bear Creek Lake	New cabin/meeting facility construction/ picnic shelter construction	4,550,000
Belle Isle	Construct new campground and visitors center	3,000,000
Belle Isle	Expand maintenance complex	250,000
Breaks Interstate	Construct campground	300,000
Breaks Interstate	Restaurant facility upgrade	100,000
Chippokes	Replace Chippokes Plantation water system	620,000

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56			
57	Chippokes	Renovations and maintenance	3,000,000
58			
59	Chippokes	Expand concession and campground	1,000,000
60			
61	Claytor Lake	Construct new cabins with docks and	
62			
63		expand marina	3,400,000
64			
65	Douthat	Construct additional cabins	1,500,000
66			
67	Douthat	Construct equestrian camping area	700,000
68			
69	Fairy Stone	Dredge lake and construct new boat ramp	1,400,000
70			
71	Fairy Stone	Construct equestrian camping area/horse	
72			
73		support facility	300,000
74			
75	False Cape	Visitor center/administrative offices	2,500,000
76			
77	First Landing	Improve visitors center	400,000
78			
79	First Landing	Upgrade campsite utility system	220,000
80			
81	First Landing	Construct storage area/pole sheds	150,000
82			
83	Grayson Highlands	Renovate visitors center	500,000
84			
85	Grayson Highlands	Construct group campground	300,000
86			
87	Grayson Highlands	Utility improvements	150,000
88			
89	Holliday Lake	Construction campground	500,000
90			
91	Hungry Mother	Dredge lake	1,375,000
92			
93	Hungry Mother	Replace water lines	388,000
94			
95	Hungry Mother	Acquire and develop campground	1,000,000
96			
97	Hungry Mother	Construct visitors center	145,000
98			
99	James River	Construct campground	500,000
100			
101	James River	Construct cabins	4,500,000
102			
103	James River	Construct equestrian camping area	500,000
104			
105	James River	Construct visitors center/office complex	1,200,000
106			
107	Kiptopeke	Construct overnight facilities	2,500,000
108			
109	Kiptopeke	Upgrade campground infrastructure	250,000
110			
111	Lake Anna	Construct new cabins and campsites	4,500,000
112			

113	Leesylvania	Construct boat piers/picnic shelter	300,000
114			
115	Mason Neck	Construct new office/administrative complex/	
116			
117		staff residences	730,000
118			
119	Mason Neck	Road Improvements	200,000
120			
121	Natural Tunnel	Construct cabins/campground/bathhouse	3,500,000
122			
123	New River Trail	Expand water distribution system	150,000
124			
125	New River Trail	Trail access and safety improvements	850,000
126			
127	New River Trail	Renovate historic Foster Falls complex	2,500,000
128			
129	Occoneechee	Construct cabins	3,500,000
130			
131	Occoneechee	Construct equestrian camping area	600,000
132			
133	Occoneechee	Construct visitor contact station	120,000
134			
135	Pocahontas	Road repairs	600,000
136			
137	Pocahontas	Construct equestrian center and camping area	1,500,000
138			
139	Pocahontas	Construct parking areas	225,000
140			
141	Pocahontas	Expand campground and construct cabins	2,500,000
142			
143	Sailor's Creek		
144			
145	Battlefield	Construct visitor center and	
146			
147		support facility	1,120,000
148			
149	Sailor's Creek		
150			
151	Battlefield	Renovate historic Hillsman House	400,000
152			
153	Shenandoah		
154			
155	"Andy Guest"	Construct road, cabins, and campground	5,168,000
156			
157	Shenandoah		
158			
159	"Andy Guest"	Construct visitor center/office	1,500,000
160			
161	Sky Meadows	Construct picnic area	250,000
162			
163	Sky Meadows	Expand campground/Appalachian Trail shelters	200,000
164			
165	Smith Mountain Lake	Construct visitor center/campground	1,500,000
166			
167	Smith Mountain Lake	Improve boat ramp parking	150,000
168			

169	Staunton River	Renovate visitor center	460,000
170			
171	Staunton River	Construct equestrian camping area	750,000
172			
173	Staunton River	Boat ramp improvements	200,000
174			
175	Staunton River		
176			
177	Battlefield	Upgrade utilities	500,000
178			
179	Staunton River		
180			
181	Battlefield	Construct equestrian camping area	100,000
182			
183	Staunton River		
184			
185	Battlefield	Renovate historic Mulberry Hill mansion	300,000
186			
187	Twin Lakes	Construct maintenance area/staff residence	774,000
188			
189	Westmoreland	Construct office complex, visitor and	
190			
191		birding center	1,150,000
192			
193	Wilderness Road	Construct utilities, roads, picnic area,	
194			
195		staff residence and parking	1,245,000
196			
197	Wilderness Road	Construct visitor center	1,000,000
198			
199	Wilderness Road	Renovate historic Karlan mansion	300,000
200			
201	York River	Improve boat ramp facilities	500,000
202			
203	Various parks	Repair Shoreline Erosion	4,500,000
204			
205	Various parks	In-holdings and adjacent properties	6,500,000
206			
207	Various parks	Trail Improvements	2,000,000
208			
209	Total of construction projects in existing parks		89,040,000
210			
211	GRAND TOTAL		\$119,040,000
212			

213     *The General Assembly hereby finds and determines that the estimated useful life of the capital*  
 214 *projects listed above is in excess of twenty-one years.*

215     *To the extent that the cost of any capital project in subsection C is less than the amount allocated to*  
 216 *such project, the Director of the Department of Conservation and Recreation may increase the amount*  
 217 *allocated to any other capital project included in subsection C. No such allocation to a capital project*  
 218 *may be increased, however, until it has been demonstrated to the satisfaction of the Director of the*  
 219 *Department of Conservation and Recreation that (a) the cost of the capital project has been reduced to*  
 220 *the extent reasonable, (b) the capital project has not been expanded or enhanced beyond that originally*  
 221 *approved, and (c) the capital project is suitable and adequate for the scope originally intended. No*  
 222 *increase in the amount allocated to any capital project shall constitute an authorization for the issuance*  
 223 *of bonds in an amount in excess of the aggregate amount authorized hereunder. No allocation shall be*  
 224 *made to any capital project included herein until all applicable requirements of § 10.1-200.1 of the*  
 225 *Code of Virginia have been met.*

226     § 4. Application of Proceeds. Proceeds (including any premium) of the bonds and any BANs (except

the proceeds of (i) bonds the issuance of which has been anticipated by BANs, (ii) refunding bonds and (iii) refunding BANs) shall be deposited by the State Treasurer in a special capital outlay fund in the State Treasury and shall be disbursed only for the purpose for which the bonds or any BANs have been issued. In the event that the proceeds of the bonds or BANs exceed the cost of the projects specified in § 3, the Treasury Board shall cause such excess proceeds to be applied to the retirement of the bonds or BANs. The proceeds of (i) bonds the issuance of which has been anticipated by BANs, (ii) refunding bonds and (iii) refunding BANs and any funds provided by the General Assembly, or available from any other source, for the purpose, shall be used to pay such BANs, refunded bonds and refunded BANs.

The proceeds of the bonds and any refunding bonds or BANs 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 § 2.2-1819 of the Code of Virginia. The general conditions and general provisions of the general appropriation act enacted pursuant to Chapter 15 (§ 2.2-1500 et seq.) of Title 2.2 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 § 3. The Governor or his designee is hereby authorized to increase the appropriation for any project listed in § 3 by the amount of the proceeds of donations, gifts, grants or other nongeneral funds paid into the state treasury in excess of such appropriation.

§ 5. Details, sale of bonds and BANs. The bonds shall be dated, shall mature at such time or times not exceeding twenty-one years from their date or dates and may be made redeemable before their maturity or maturities at such price or prices or within such price parameters, all as may be determined by the Treasury Board, by and with the consent of the Governor. The principal of the bonds shall be amortized, by payment into a sinking fund or otherwise, in annual installments. The first annual installment of principal of the bonds shall become due not later than one-tenth of the term of the bonds, and no installment of principal of the bonds shall be more than twice the smallest previous installment. Any such sinking fund shall not be appropriated for any other purpose.

The bonds shall be in such form, shall bear interest at such rate or rates, either at fixed rates or at rates established by formula or other method, and may contain such other provisions, all as the Treasury Board or the State Treasurer, when authorized by the Treasury Board, may determine. The principal of and premium, if any, and interest on the bonds and BANs shall be payable in lawful money of the United States of America. Bonds and BANs may be certificated or uncertificated as determined by the Treasury Board. The Treasury Board may contract for services of such registrars, transfer agents, or other authenticating agents as it deems appropriate to maintain a record of the persons entitled to the bonds and BANs. Bonds and BANs may be issued under a system of book entry for recording the ownership and transfer of ownership rights to receive payments on the bonds and BANs. The Treasury Board shall fix the denomination or denominations of the bonds and the place or places of payment of principal, premium, if any, and interest, which may be at the office of the State Treasurer or at any one or more banks or trust companies within or without the Commonwealth.

The Treasury Board may sell the bonds and any BANs in such manner, either by competitive bidding, negotiated sale or private placement, and for such price as it may determine, by and with consent of the Governor, to be in the interest of the Commonwealth.

At the discretion of the Treasury Board, bonds and BANs may be issued at one time or in part from time to time and may be issued and sold at the same time with other general obligation bonds and bond anticipation notes, respectively, of the Commonwealth authorized pursuant to Article X, Section 9(a)(3), (b) or (c) of the Constitution of Virginia, either as separate issues, as a combined issue designated "Commonwealth of Virginia General Obligation Bonds [Bond Anticipation Notes], Series 20....," or as a combination of both. The bonds and BANs shall be signed on behalf of the Commonwealth by the Governor and by the State Treasurer, or shall bear their facsimile signatures, and shall bear the lesser seal of the Commonwealth or a facsimile thereof. In the event that the bonds or BANs bear the facsimile signature of the State Treasurer, they shall be signed by such administrative assistant as the State Treasurer shall determine or by such registrar or paying agent as may be designated to sign them by the Treasury Board. If any officer whose signature or facsimile signature shall appear on any bonds or BANs shall cease to be such officer before the delivery, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery, and any bond or BAN may bear the facsimile signature of, or may be signed by, such persons as at the actual time of the execution are the proper officers to sign such bond or BAN although, at the date of such bond or BAN, such persons may not have been such officers.

§ 6. Refunding. 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, refunding bonds and BANs of the Commonwealth, to refund any or all of the bonds and BANs, respectively, issued under this act or otherwise pursuant to Article X, Section 9(b), of the Constitution of Virginia. Refunding bonds and BANs may be issued in a principal amount up to the amount necessary to pay at maturity or redeem the bonds and BANs to be

288 refunded and pay all issuance costs and other financing expenses of the refunding. Such refunding  
289 bonds and BANs may be issued whether or not the bonds or BANs to be refunded are then subject to  
290 redemption. Any escrow or trust fund established with the proceeds from the sale of refunding bonds  
291 shall be irrevocably pledged to the payment of the bonds to be refunded, and shall be used solely to pay  
292 such bonds or BANs at maturity or upon redemption or for the purchase of not less than all of the  
293 bonds or BANs to be refunded. Any such escrow or trust fund shall constitute a special fund for the  
294 payment of such refunded bonds or BANs, and such refunded bonds or BANs, to the extent of amounts,  
295 including the maturity amounts of investments, set aside for the payment thereof in such escrow or trust  
296 fund, shall not be included for the purposes of determining any limitations upon the amount of bonded  
297 indebtedness of the Commonwealth that may be incurred pursuant to Article X, Section 9(b), of the  
298 Constitution of Virginia. The Treasury Board may, however, direct that the interest received from the  
299 investment of the proceeds of the bonds or any BANs be transferred to the general fund of the State  
300 Treasury.

301 § 7. Authorized Investments. Pending the application of the proceeds of the bonds or BANs (including  
302 refunding bonds and BANs) to the purpose for which they have been authorized and the application of  
303 funds set aside for the purpose to the payment of bonds or BANs, they may be invested by the State  
304 Treasurer in securities that are legal investments under the laws of the Commonwealth for public funds  
305 and sinking funds, as the case may be. Whenever the State Treasurer receives interest from the  
306 investment of the proceeds of bonds or any BANs, such interest shall become a part of the principal of  
307 the bonds or any BANs and shall be used in the same manner as required for principal of the bonds or  
308 BANs.

309 § 8. Security for bonds and BANs. The full faith and credit of the Commonwealth are hereby  
310 irrevocably pledged for the payment of the principal of and the interest on bonds and (unless the  
311 Treasury Board, by and with the consent of the Governor, shall provide otherwise) BANs issued under  
312 this act. The proceeds of (i) bonds the issuance of which has been anticipated by BANs, (ii) refunding  
313 bonds and (iii) refunding BANs are hereby irrevocably pledged for the payment of principal of and  
314 interest and any premium on such bonds or BANs to be refunded thereby. In addition, the Treasury  
315 Board may pledge the full faith and credit of the Commonwealth for the payment of the principal of and  
316 interest on any BANs. If sufficient funds are not appropriated in the general appropriations act for any  
317 fiscal year for the timely payment of the principal of and the interest on the bonds, any refunding bonds  
318 or any BANs where the full faith and credit of the Commonwealth has been pledged, there shall be set  
319 apart by direction of the Governor, from the first general fund revenues received during such fiscal year  
320 and thereafter, a sum sufficient to pay such principal and interest.

321 § 9. Expenses. All expenses incurred under this act shall be paid from the proceeds of the bonds, or  
322 any refunding bonds or BANs, or from any other available funds as the Treasury Board shall determine.

323 § 10. Exemption of interest from tax. The bonds and BANs issued under the provisions of this Act,  
324 their transfer, and the income therefrom, including any profit made on the sale thereof, shall at all times  
325 be exempt from taxation by the Commonwealth and by any political subdivision thereof. The interest on  
326 the bonds and any refunding bonds or BANs may be subject to inclusion in gross income of the holders  
327 thereof for federal income tax purposes.

328 § 11. Referendum. The question of the effectiveness of this act and the authorization of the bonds  
329 shall be submitted to the qualified voters of the Commonwealth at the general election to be held on  
330 Tuesday, November 5, 2002. Notice of the election shall be given, the ballots shall be prepared,  
331 distributed and voted, and the results thereof ascertained and certified, in accordance with Title 24.1 of  
332 the Code of Virginia, relating to special elections. The ballots to be used at the election shall pose the  
333 question in substantially the following form:

334 QUESTION: Shall Chapter \_\_\_, Acts of the General Assembly of 2002, authorizing the issuance of  
335 general obligation bonds of the Commonwealth of Virginia in the maximum amount of \$119,040,000  
336 pursuant to Article X, Section 9(b) of the Constitution of Virginia for capital projects for parks and  
337 recreational facilities, take effect?

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

343 If a majority of those voting thereon shall vote in favor of this act, this act shall take effect and the  
344 bonds may be issued as hereinabove provided. If a majority of those voting thereon shall vote against  
345 this act, this act shall not take effect and the bonds shall not be issued.

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

348 § 12. Severability. The provisions of this act or the application thereof to any person or circumstance  
349 that are held invalid shall not affect the validity of other provisions or applications of this act that can

**350** *be given effect without the invalid provisions or applications.*

**INTRODUCED**

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