

2002 RECONVENED SESSION

REENROLLED

VIRGINIA ACTS OF ASSEMBLY — CHAPTER

An Act authorizing the issuance of Commonwealth of Virginia General Obligation Bonds in an amount not exceeding \$900,488,645 for the purpose of financing the cost of capital projects for educational facilities; authorizing the Treasury Board, by and with the consent of the Governor, to fix the details of the 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 the interest income 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.

[S 31]

Approved

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 Educational Facilities Bond Act of 2002."*

§ 2. Authorization of Bonds and Bond Anticipation Notes (BANs). *The authorization to issue bonds hereunder is 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.*

Thereafter, 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 General Obligation Bonds, Series...", in an aggregate principal amount not exceeding \$900,488,645. 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 issued 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 educational facilities as follows:*

<i>Educational Facility</i>	<i>Project Description</i>	<i>Amount</i>
<i>Christopher Newport University</i>	<i>Renovate/Expand Technology Center/Library</i>	<i>\$11,333,000</i>
<i>Christopher Newport University</i>	<i>Convert Student Center to Academic Space</i>	<i>5,357,000</i>
<i>Christopher Newport University</i>	<i>Renovate/Expand Gosnold Hall</i>	<i>5,798,000</i>
<i>Christopher Newport University</i>	<i>Renovate Ferguson Hall-Plant, Classrooms and Art</i>	<i>3,300,000</i>
<i>The College of William and Mary</i>	<i>Renovate/Expand Marshall-Wythe Law Library</i>	<i>11,821,000</i>
<i>The College of William and Mary</i>	<i>Renovate Andrews Hall</i>	<i>5,415,000</i>
<i>The College of William and Mary</i>	<i>Renovate Small Hall</i>	<i>13,583,000</i>

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55	The College of William and Mary	Renovate Lake Matoaka	2,500,000
56			
57	George Mason University	Construct Academic II -	
58			
59		Arlington	30,954,000
60			
61	George Mason University	Renovate Thompson, West	
62			
63		and Pohick	12,693,000
64			
65	George Mason University	Construct Academic V-Fairfax	21,898,000
66			
67	George Mason University	Construct Fairfax Research I	8,190,500
68			
69	George Mason University	Improve Handicapped	
70			
71		Accessibility	1,900,000
72			
73	George Mason University	Upgrade Utility Infrastructure	2,926,000
74			
75	George Mason University	Renovate Conflict Analysis	1,000,000
76			
77		Facility	
78			
79	James Madison University	Renovate Steam Infrastructure	3,978,000
80			
81	James Madison University	Improve Handicapped	
82			
83		Accessibility	1,780,000
84			
85	James Madison University	Renovate Harrison Hall &	
86			
87		Annex	9,732,700
88			
89	James Madison University	Construct Center for the Arts	29,808,900
90			
91	James Madison University	Construct Music Recital Hall	20,900,000
92			
93	James Madison University	Construct Library, CISAT	
94			
95		Campus	19,792,600
96			
97	James Madison University	Renovate Miller Hall	13,927,700
98			
99	Longwood College	Construct Bedford Wygal	
100			
101		Connector	7,256,000
102			
103	Longwood College	Renovate Jarman Auditorium	4,731,000
104			
105	Mary Washington College	Renovate/Alter Portions of	
106			
107		Four Academic Buildings	2,242,000
108			
109	Mary Washington College	Renovate/Expand Lee Hall	10,432,000
110			

111	Mary Washington College	Renovate Dodd Auditorium	
112			
113		and Klein Theater	1,725,000
114			
115	Mary Washington College	Renovate Monroe Hall	4,035,000
116			
117	Norfolk State University	Upgrade HVAC Systems	2,847,366
118			
119	Norfolk State University	Construct RISE Center	18,000,000
120			
121	Norfolk State University	Handicapped Accessibility	
122			
123		Improvements	500,000
124			
125	Old Dominion University	Renovate Technology Building	9,158,050
126			
127	Old Dominion University	Renovate Batten Arts &	
128			
129		Letters	9,631,552
130			
131	Old Dominion University	Construct Physical Science	
132			
133		Building, Phase II	13,000,000
134			
135	Old Dominion University	Construct Tri-Cities Higher	
136			
137		Education Center	6,149,200
138			
139	Old Dominion University	Renovate Hughes Hall	5,600,000
140			
141	Old Dominion University	Renovate Chemistry Building	731,000
142			
143	Radford University	Construct Fine Arts Center	19,350,000
144			
145	Radford University	Renovate Young Hall	4,716,000
146			
147	Radford University	Renovate Davis Hall	1,851,000
148			
149	Radford University	Upgrade/Construct Stormwater	
150			
151		Management/Access Road	500,000
152			
153	Radford University	Renovate Russell Hall	1,000,000
154			
155	University of Virginia	Construct Medical Research	
156			
157		Bldg (MR-6)	24,235,000
158			
159	University of Virginia	Construct Materials Sci.	
160			
161		Eng. & Nano-Technology	
162			
163		Building	7,000,000
164			
165	University of Virginia	Upgrade Cavalier Substation	4,700,000
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167	University of Virginia	Construct Engineering/Science	
168			
169		Chiller Plant	4,800,000
170			
171	University of Virginia	Renovate Fayerweather Hall	4,600,000
172			
173	University of Virginia	Renovate Gilmer Hall	
174			
175		Teaching Laboratories	5,700,000
176			
177	University of Virginia	Upgrade Storm Water	
178			
179		Management, McCormick & North	1,400,000
180			
181	University of Virginia	Construct Arts and	
182			
183		Sciences Building	14,284,000
184			
185	University of Virginia	Construct Campbell Hall	
186			
187		Chiller Replacement	1,600,000
188			
189	University of Virginia - Wise	Upgrade/Construct Stormwater	
190			
191		Management/Access Road	2,000,000
192			
193	University of Virginia - Wise	Renovate/Expand Drama	
194			
195		Building	7,475,000
196			
197	Virginia Commonwealth University	Renovate West Hospital/	
198			
199		G.B. Johnston	14,308,000
200			
201	Virginia Commonwealth University	Construct Massey	
202			
203		Cancer Center Addition	10,099,000
204			
205	Virginia Commonwealth University	Construct Medical Sciences	
206			
207		Building Phase II	22,550,000
208			
209	Virginia Commonwealth University	Renovate Sanger Research	
210			
211		Laboratory, Phase I	7,899,000
212			
213	Virginia Commonwealth University	Renovate Hibbs Bldg	8,766,000
214			
215	Virginia Commonwealth University	Renovate Music Center	3,407,000
216			
217	Virginia Commonwealth University	Construct School of	
218			
219		Engineering Phase II	6,200,000
220			
221	Virginia Commonwealth University	Renovate Franklin Terrace	3,524,000
222			

223	Virginia Military Institute	Renovate Nichols Engineering	
224			
225		Building	13,514,000
226			
227	Virginia Military Institute	Renovate Mallory Hall	9,106,000
228			
229	Virginia Polytechnic	Renovate Williams, Agnew,	
230			
231	Institute and State University	Burrus	5,451,856
232			
233	Virginia Polytechnic	Construct Main Campus Chilled	
234			
235	Institute and State University	Water Central Plant	2,800,000
236			
237	Virginia Polytechnic	Improve/Expand Fine Arts	
238			
239	Institute and State University	Center and Renovate	
240			
241		Henderson Hall	6,542,000
242			
243	Virginia Polytechnic	Construct New Engineering	
244			
245	Institute and State University	Facility (VTRI Phase I)	13,996,000
246			
247	Virginia Polytechnic		
248			
249	Institute and State University	Construct Biology Building	14,263,000
250			
251	Virginia Polytechnic	Construct New Vivarium	
252			
253	Institute and State University	Facility	12,000,000
254			
255	Virginia Polytechnic	Classroom Improvements,	
256			
257	Institute and State University	Phase I	4,530,000
258			
259	Virginia Polytechnic	Construct Building	
260			
261	Institute and State University	Construction Facility	2,500,000
262			
263	Virginia Polytechnic	Renovate Litton Reaves Hall	
264			
265	Institute and State University	and Exterior Structural	
266			
267		Repairs	2,500,000
268			
269	Virginia Polytechnic	Renovate Cowgill Hall HVAC	
270			
271	Institute and State University	and Power	7,500,000
272			
273	Virginia State University	Construct New Academic	
274			
275		Science & Technology Building	17,711,000
276			
277	Virginia State University	Renovate Gandy Hall	4,561,000
278			

279	Richard Bland College	Renovate Library	2,650,000
280			
281	Richard Bland College	Renovate & Expand Art Bldg	800,000
282			
283	Virginia Community College System	Major Mechanical Systems,	
284			
285		Systemwide	7,684,000
286			
287	Virginia Community College System	Renovate Science Building,	
288			
289		Northern Va. (Annandale)	8,500,000
290			
291	Virginia Community College System	South Campus Renovation,	
292			
293		Virginia Western	2,192,500
294			
295	Virginia Community College System	Renovate Instructional Labs,	
296			
297		John Tyler	5,250,000
298			
299	Virginia Community College System	Alexandria Phase III,	
300			
301		Renovate Phases I & II,	
302			
303		Northern Va.	15,947,320
304			
305	Virginia Community College System	Construct Historic Triangle	
306			
307		Campus, Thomas Nelson	17,653,861
308			
309	Virginia Community College System	Construct Sciences Building	
310			
311		I, Tidewater (Virginia Beach)	11,330,000
312			
313	Virginia Community College System	Renovate Campus Post ISS	
314			
315		Bldg Construction,	
316			
317		Thomas Nelson	3,548,000
318			
319	Virginia Community College System	Renovate LRC/West Hall,	
320			
321		Patrick Henry	3,439,300
322			
323	Virginia Community College System	Replace Exterior Doors	
324			
325		and Windows, Thomas Nelson	974,000
326			
327	Virginia Community College System	Renovate CN & CT Buildings,	
328			
329		Northern Virginia (Annandale)	4,127,000
330			
331	Virginia Community College System	Construct Learning Resources	
332			
333		Building, Southwest Virginia	5,840,000
334			

335	Virginia Community College System	Construct Fine and	
336		Performing Arts Program	
337			
338		Building, Blue Ridge	5,092,000
339			
340	Virginia Community College System	Construct Addition To HVAC	
341		Building, Northern Va.	
342		(Woodbridge)	1,175,000
343			
344	Virginia Community College System	Portsmouth Campus Relocation,	
345		Tidewater	25,000,000
346			
347	Virginia Community College System	Renovate/Expand Webber Hall,	
348		Virginia Western	3,500,000
349			
350	Virginia Community College System	Renovate Classrooms & Labs,	
351		Southside (Christanna)	1,100,000
352			
353	Virginia Community College System	Renovate Classrooms & Labs,	
354		Southside (Daniel)	1,100,000
355			
356	Virginia Community College System	Upgrade ADA Accessibility,	
357		Systemwide	5,000,000
358			
359	Virginia Community College System	Renovate Paul D. Camp	
360		(Franklin)	500,000
361			
362	Virginia Community College System	Renovate Unsafe & Obsolete	
363		Facilities, D. S. Lancaster	2,025,000
364			
365	Virginia Community College System	Replace Greenhouses,	
366		Northern Va. (Loudoun)	450,000
367			
368	Virginia Community College System	Upgrade Main Academic Building	
369		Fire Suppression System,	
370		Piedmont	235,000
371			
372	Virginia Community College System	Expand Computing Services,	
373		New River	300,000
374			
375	Virginia Community College System	Construct William F. Snyder	
376			
377			
378			
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391		Auditorium, Wytheville	543,080
392			
393	Virginia Community College System	Construct Science & Technology	
394			
395		Building, Piedmont	5,000,500
396			
397	Virginia Community College System	Construct Workforce Training	
398			
399		& Technology Center,	
400			
401		J.S. Reynolds	3,138,200
402			
403	Virginia Community College System	Construct Business Dev.	
404			
405		& Workforce Training Ctr.,	
406			
407		Eastern Shore	2,347,000
408			
409	Virginia Community College System	Construct Advanced Tech. and	
410			
411		Workforce Dev. Ctr., Germanna	
412			
413		(Culpeper)	5,555,000
414			
415	Virginia Community College System	Construct Workforce Services	
416			
417		Dev. Ctr., Lord Fairfax	
418			
419		(Middletown)	2,340,000
420			
421	Virginia Community College System	Construct Regional Automotive	
422			
423		Tech./Workforce Dev. Ctr,	
424			
425		Tidewater	3,262,000
426			
427	Virginia Community College System	Construct Maintenance	
428			
429		Building, Danville	839,000
430			
431	Virginia Community College System	Construct Maintenance-Service	
432			
433		Building, Southside (Daniel)	464,480
434			
435	Virginia Community College System	Construct Maintenance	
436			
437		Building, Blue Ridge	491,000
438			
439	Virginia Community College System	Construct Maintenance and	
440			
441		Storage Building, Germanna	
442			
443		(Locust Grove)	517,000
444			
445	Virginia Community College System	Construct Maintenance-Service	
446			

447		Building, Southside	
448			
449		(Christanna)	464,480
450			
451	Virginia Community College System	Construct Maintenance Services	
452			
453		Building, New River	517,000
454			
455	Virginia Community College System	Construct Maintenance Services	
456			
457		Building, Mountain Empire	564,000
458			
459	Virginia Community College System	Construct Maintenance Services	
460			
461		Building, Rappahannock (Glenns)	463,000
462			
463	Virginia Community College System	Construct Maintenance Services	
464			
465		Building, Southwest Virginia	545,000
466			
467	Virginia Community College System	Construct Facilities	
468			
469		Maintenance Building,	
470			
471		Central Virginia	485,500
472			
473	Virginia Institute		
474			
475	of Marine Science	Construct Marine Research	
476			
477		Bldg Complex	23,692,000
478			
479	Virginia Institute		
480			
481	of Marine Science	Construct Research Storage	
482			
483		Facility	641,000
484			
485	VPI Coop. Ext./		
486			
487	Agriculture Exp. Station	Construct Agriculture and	
488			
489		Natural Resources Research	
490			
491		Laboratory Facility	23,168,000
492			
493	Southwest Virginia		
494			
495	Higher Ed. Center	Construct Addition to	
496			
497		Southwest Va. Higher Ed.	
498			
499		Center	1,900,000
500			
501	Jamestown-Yorktown Foundation	Renovate/Expand Jamestown	
502			

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503		Powhatan Village	1,009,000
504			
505	Jamestown-Yorktown Foundation	Construct Central Support	
506			
507		Complex	6,935,000
508			
509	Jamestown-Yorktown Foundation	Construct Jamestown Riverfront	
510			
511		Support Area	1,847,000
512			
513	Jamestown-Yorktown Foundation	Construct Jamestown Entrance	
514			
515		Plaza, Parking Lots and	
516			
517		Roadways	4,391,000
518			
519	Jamestown-Yorktown Foundation	Construct Jamestown	
520			
521		Maintenance Building	762,000
522			
523	Science Museum of Virginia	Construct Belmont Bay	
524			
525		Science Center	5,000,000
526			
527	Science Museum of Virginia	Renovate Planetarium/IMAX	
528			
529		Theater Sprinklers	2,000,000
530			
531	Science Museum of Virginia	Renovate/Expand Danville	
532			
533		Science Center	3,679,000
534			
535	Virginia Museum of Fine Arts	Renovate/Expand Museum	28,000,000
536			
537	Frontier Culture Museum	Construct Maintenance	
538			
539		Facility	950,000
540			
541	Grand Total		\$900,488,645

542
543 *The General Assembly hereby finds and determines that the estimated useful life of the capital*
544 *projects listed above is in excess of twenty-five years.*

545 *To the extent that the cost of any capital project listed above is less than the amount allocated to*
546 *such project, the Governor or the Governor's designee may increase the amount allocated to any other*
547 *capital project listed above. No such allocation to a capital project may be increased, however, until it*
548 *has been demonstrated to the satisfaction of the Governor or the Governor's designee that (a) the cost*
549 *of the capital project has been reduced to the extent reasonable, (b) the capital project has not been*
550 *expanded or enhanced beyond that originally approved, and (c) the capital project is suitable and*
551 *adequate for the scope originally intended. No increase in the amount allocated to any capital project*
552 *shall constitute an authorization for the issuance of bonds in an amount in excess of the aggregate*
553 *amount authorized hereunder.*

554 *§ 4. Application of Proceeds. Proceeds (including any premium) of the bonds and any BANs (except*
555 *the proceeds of (i) bonds the issuance of which has been anticipated by BANs, (ii) refunding bonds and*
556 *(iii) refunding BANs) shall be deposited by the State Treasurer in a special capital outlay fund in the*
557 *State Treasury and shall be disbursed only for the purpose for which the bonds or any BANs have been*
558 *issued. In the event that the proceeds of the bonds or BANs exceed the cost of the projects specified in*
559 *§ 3, the Treasury Board shall cause such excess proceeds to be applied to the retirement of the bonds*
560 *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-five 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 refunded and pay all issuance costs and other financing expenses of the refunding. Such refunding bonds and BANs may be issued whether or not the bonds or BANs to be refunded are then subject to redemption. Any escrow or trust fund established with the proceeds from the sale of refunding bonds shall be irrevocably pledged to the payment of the bonds or BANs to be refunded, and shall be used solely to pay such bonds or BANs at maturity or upon redemption or for the purchase of not less than all of the bonds or BANs to be refunded. Any such escrow or trust fund shall constitute a special fund

for the payment of such refunded bonds or BANs, and such refunded bonds or BANs, to the extent of amounts, including the maturity amounts of investments, set aside for the payment thereof in such escrow or trust 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 Article X, Section 9(b), of the Constitution of Virginia. The Treasury Board may, however, direct that the interest received from the investment of the proceeds of the bonds or BANs be transferred to the general fund of the State Treasury.

§ 7. Authorized Investments. Pending the application of the proceeds of the bonds or BANs (including refunding bonds and BANs) to the purpose for which they have been authorized and the application of funds set aside for the purpose to the payment of bonds or BANs, they may be invested by the State Treasurer in securities that are legal investments under the laws of the Commonwealth for public funds and sinking funds, as the case may be. Whenever the State Treasurer receives interest from the investment of the proceeds of bonds or any BANs, such interest shall become a part of the principal of the bonds or any BANs and shall be used in the same manner as required for principal of the bonds or BANs. The Treasury Board may, however, direct that the interest received from the investment of the proceeds of the bonds or BANs be transferred to the general fund of the State Treasury.

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

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

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

§ 11. Referendum. The question of the effectiveness of this act and the authorization of the bonds shall be submitted to the qualified voters of the Commonwealth at the general election to be held on Tuesday, November 5, 2002. The referendum shall be supervised and held, notice thereof given, ballots prepared, returns made and certified, votes canvassed and results ascertained and made known, as provided by law. The ballots to be used at the election shall pose the question in substantially the following form:

QUESTION: Shall Chapter ___, Acts of the General Assembly of 2002, authorizing the issuance of general obligation bonds of the Commonwealth of Virginia in the maximum amount of \$900,488,645 pursuant to Article X, Section 9(b) of the Constitution of Virginia for capital projects for educational facilities, take effect?

After the general election, the State Board of Elections shall without delay make out, certify, and transmit to the Governor and to the Treasury Board an official copy of the report of the whole number of votes cast at the election for and against the act.

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

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

§ 12. An educational institution may apply any available nongeneral funds to initiate a project authorized in § 3 hereof, and the appropriations provided for in this act may be used to reimburse such institution for nongeneral funds so applied. Such reimbursement shall be contingent upon the availability of appropriations provided for in this act. Reimbursement shall be made only for projects authorized in § 3 hereof which were supplemented with nongeneral funds on and after January 1, 2002, provided that any such expenditures have received the prior written approval of the Director of the Department of Planning and Budget.

§ 13. Severability. The provisions of this act or the application thereof to any person or circumstance

683 *that are held invalid shall not affect the validity of other provisions or applications of this act that can*
684 *be given effect without the invalid provisions or applications.*

685 2. That on or before September 1, 2002, each education agency or institution having a capital
686 project listed in the first enactment of this act shall provide to the Governor and the chairmen of
687 the Senate Finance Committee and the House Appropriations Committee an implementation plan
688 for the completion of such projects. The plan shall include as a minimum: (i) the proposed
689 construction schedule for each project indicating the anticipated start-up date for the project as
690 well as the projected completion date for the project, taking into consideration the budgetary and
691 programmatic capacity of the agency or institution to operate the completed capital project, (ii)
692 detailed draw schedules indicating the monthly cash needs to finance expenditures from the
693 start-up date to the completion date of each project, and (iii) an estimate of the additional costs
694 for the staffing and equipping of each project as well as an identification of the anticipated source
695 of funding to cover such additional costs for each project. The Governor shall prescribe a uniform
696 format for the preparation of this submission by each affected agency or institution.

697 3. That on or before January 15, 2003, the Governor shall release his proposed plan for the
698 execution of the capital projects listed in the first enactment of this act. To the extent practicable,
699 the Governor's plan shall be based on the implementation plans submitted by the agencies and
700 institutions pursuant to the second enactment of this act. However, the Governor shall modify such
701 implementation plan, as necessary, to provide for the orderly issuance of the bonds authorized in
702 this act and to ensure that the Commonwealth (i) stays within the appropriations in the general
703 appropriation act to pay the debt service on such bonds, (ii) acts within its budgetary ability to
704 open and operate such completed capital projects, (iii) adheres to the limits of its capacity to issue
705 tax-supported debt, and (iv) complies with all other provisions of law regarding its authority to
706 issue debt.

707 Should the Governor find the need to make modification in any of the project schedules proposed
708 by state agencies and institutions to meet the purposes stated herein, he shall direct the Secretary
709 of Finance to confer with the chairmen of the Senate Finance Committee and the House
710 Appropriations Committee and the affected state agencies and institutions and develop criteria to
711 determine which projects continue on schedule as planned and which projects are deferred.

712 4. That commensurate with the release of the Governor's proposed plan for the execution of the
713 capital projects pursuant to the third enactment of this act, the Secretaries of Administration and
714 Finance shall jointly release recommendations to expedite the capital outlay review process as set
715 forth in § 2.2-1132 of the Code of Virginia. Such recommendations shall indicate whether they can
716 be implemented administratively or whether legislation will be necessary prior to their
717 implementation.

718 5. That the Secretary of Finance, in conjunction with the Secretaries of Education and
719 Administration, shall provide to the chairmen of the Senate Finance Committee and House
720 Appropriations Committee, beginning in 2003, by September 1 of each year, until such capital
721 projects as are herein authorized are completed, a status report on the projects, including (i) the
722 status of compliance with the expedited capital outlay review process as set forth in the fourth
723 enactment of this act and § 2.2-1132 of the Code of Virginia; and (ii) the most recent approved
724 draw schedules for the projects included in this act.

725 6. That there is hereby appropriated to the State Board of Elections from the general fund of the
726 state treasury an amount not to exceed \$125,000 for the costs of public notices and other
727 information required to be published in connection with the referendum on this act at the
728 November 5, 2002, general election.